THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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FILE COPY

LIMIT OF FALL IN PRICES IN CANADA NOT YET REACHED

Process of Liquidation Proceeds Slowly for This Reason

OUTLOOK BRIGHTER

Look for Gradual Revival in Business in Spring Months—Collections Being Slowly Made in West

One obstacle in the way of the immediate readjustment of business in this country on a basis which will make for a speedy resumption of industry on a large scale, lies in the fact that price reductions in the great majority of lines have not as yet reached the lowest level. Many business interests in this country in the endeavor to pass through the present abnormal period with the minimum of loss are refraining from marking down their goods on replacement levels, with the result that the process of liquidation is still proceeding, mills and factories are not yet burdened with orders and the volume of unemployment is increasing. In the United States the price declines have been more rapid, stocks have been fairly well liquidated, and the outlook for a business revival in the near future is growing brighter.

The high cost of wages is still an important factor in checking the decline in commodity prices. The Canadian employer has a problem on his hands which must be solved before any permanent and substantial reduction in prices can be maintained. Labor costs will undoubtedly come down, and already a number of Canadian employers have taken action in this regard and have introduced reductions ranging from 10 per cent. upward. This movement is not general, however, and the necessity for this action has been delayed in many cases by the increased productive efforts put forth by the workers.

In the face of the present conditions there is an optimistic tone pervading public sentiment. The business leadership of the country points to the soundness of the fundamental conditions in the Dominion, and conservative opinion inclines to the belief that the worst is over, and that a gradual revival may be looked for in the spring months. While the curve of business may be hesitant for a time the main trend when the spring returns will be upward.

Conditions in West

The immediate penalty of price deflation and readjustment is reflected in conditions now existing in Western Canada, as described to THE FINANCIAL POST by a representative of a Toronto implement firm which does an extensive business among the farmers of the West. Collections, he stated, had been very poor in recent months, and even disappointing. The harvest of 1920, he said, had not lived up to the optimistic forecasts early in the season. While production was higher than for 1919 the yield was under original estimates, and in view of the reduction in the price of wheat, which was about two-thirds of the average price existing for the previous year, it was doubtful, he stated, if the revenue received by the farmers was in excess of that received a year ago.

In anticipation of a bountiful harvest the Western farmers earlier in the year had acquired heavy liabilities which they proposed to pay out of the receipts from the season's harvest. They negotiated heavy loans from the banks and loan companies, and their purchases ran largely to automobiles and expensive tractors. Arrangements were so completed by the loaning institutions that they had first claim upon the returns of the farmers, and in this they were largely successful. Obligations incurred earlier had to stand over until the farmer can procure the required capital. The average farmer of the West has, at the present time, a comparatively large indebtedness which cannot now be discharged, but must be carried over till the next season's crop is marketed. Returns for the

Continued on page 9.

WINNIPEG ELECTRIC

Aim Is to Bring Disputes to Final Settlement

WINNIPEG.—Attempts are being made to bring the disputes between the Winnipeg Electric Railway Company and the city to final negotiation.

The public safety committee, which deals with transportation problems, is to confer with A. W. McLimont, vice-president of the railway, about damages to water mains by electrolysis, the St. James subway, the proposed railway link over the Provencher bridge and the extension of car tracks in different portions of the city.

The city also announced that the increased fare case would be opened before the Court of Appeal about February 15.

MEET TO REVIEW SWIFT CURRENT'S MIXED FINANCES

City Cannot Meet Maturing Obligations Without Compromise

CANDID STATEMENT

Report of Creditors States That Thorough Rearrangement Must Be Proceeded With

By Resident Representative.

SWIFT CURRENT.—Following the report on municipal affairs as presented by O. J. Godfrey, representatives of Swift Current's creditors—bankers and bond and debenture holders will meet here in about two weeks to discuss a compromise agreement in order that the city may handle maturing liabilities.

In a candid statement of the city's affairs Mr. Godfrey finds: that the tax burden is unequally and unfairly distributed; that the business licence is too low and that land assesment is too high; that a thorough reassessment should be taken; that there has been no check on the tax rolls for three years; that the present assessment of $71.81 per capita is greater than any similar urban municipality; that an examination of the debenture statement shows city and school board in default since 1916.

To remedy these conditions Mr. Godfrey suggests that the Bank of Commerce accept city stock of $137,783, which is its proportionate share of estimated deficit on tax hypothecation; that all outstanding debentures be called in and replaced by debenture stock repayable in forty-five years bearing 4 per cent. interest for the first five years, 4½ per cent. for the second five years and 5 per cent. for the third five years. He asks that the creditors of the city support the municipality's application for power to compromise the arrears of taxes and that legislative sanction be asked converting outstanding school taxes into municipal taxes.

He finds that the city cannot pay more than $63,300 in a fair annual tax. Swift Current has not once defaulted in any debenture up to the present and while the present situation has developed the city can and will pay 100 cents on the dollar. That is the spirit that dominates officials and citizens alike.

Following the suggestion that civic departments be reorganized, H. J. Noblé, of Medicine Hat, has been engaged as the new secretary-treasurer and city clerk to succeed G. D. Arnott resigned. Mr. Godfrey in his report on reorganization suggests an increase in the police force and that the fire department be reduced in strength.

COSGRAVE BREWERIES

A number of Montreal brokers are engaged in selling a $1,000,000 stock issue for the Cosgrave Brewery Company, of Toronto. The sale price is $10 a share, and it is stated that the company will pay a bonus this year. The company is in a very favorable position just now, with orders on hand of sufficient volume to take up the entire output of this company for the next five years. Present production is entirely for export.

TARIFF THE BIG FACTOR IN THE POLITICAL MIX-UP

W. Peterboro a Protectionist Victory and Government Defeat

MEIGHEN'S OUTLOOK

May Try to Carry County on Moderate Protectionist Ticket Than Attempt Tariff Revision Measure

By Resident Representative.

OTTAWA.—In a political review of the year published in THE FINANCIAL POST on January 7 the following statement was made: "The coming election in West Peterborough will be an intensely important one, because of the fact that, if the Government candidate should be defeated, it might have to go the length of appealing to the country in a general election." During the week such a defeat has occurred, and already we find several of the strongest newspaper supporters of the administration advising the premier to pass a supply bill and appeal to the electors.

The situation has been fairly summarized by the comment that "it was a protectionist victory and a Government defeat." Four out of the five candidates were, in some degree, protectionist; so that the defeat was certainly not on a matter of policy. It has, however, brought about a situation where the probability of an election within the next six months is strong.

Probably the most important phase of the defeat of the Government candidate, so far as the business interests of the country are concerned, is the effect it may have on tariff revision. It is now seriously suggested in influential quarters that the House should be dissolved after passing supply. It is felt that Premier Meighen has delayed cabinet reorganization, so frequently urged upon him, too long to enable anything effective to be accomplished under existing circumstances, and that when it does come it will be before an appeal to the country. The trend of recent elections is not such as to warrant the creating of vacancies in the cabinet now with an appeal to the country in by-elections. In the by-elections since 1917 the Government has had six losses and no gains, so that it cannot afford to take further risks in by-elections at present.

The Tariff Question

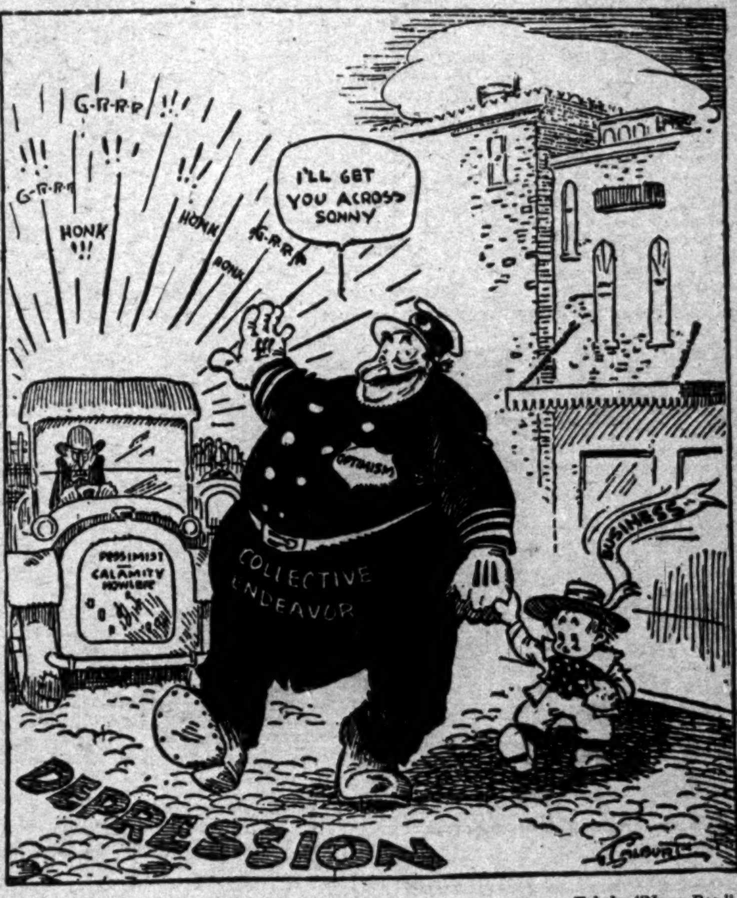
With a reorganized cabinet, however, and an appeal to the country on a moderate protectionist tariff, the chances appear to be that the Government might come back with a small majority, whether enough to enable it to carry on is the question. As it is now, the premier seems to have retained the dead-wood in his cabinet so long as to endanger his chances of reconstruction by degrees.

With a majority reduced to around twenty, with the possibilities of still further losses, and a greatly encouraged opposition, it would be difficult to pass a measure of tariff revision at the coming session, unless by concessions which are not likely to be entertained. It is such a situation which creates doubts of the probability of a tariff measure being introduced.

Premier Meighen has undoubtedly strengthened himself greatly in the short time in which he has been in office as premier, and has the opportunity of adding to his strength in this respect during the coming session. His frequently expressed desre for a moderately protectionist tariff is believed to be sincere, and there has been a good deal of interest to see whether the actual measure brought into the house would justify his professions in this regard.—T.M.F.

NANTON TO ROYAL TRUST

At a meeting of the directors of the Royal Trust Company this week, Sir Augustus M. Nanton, K.B., of Winnipeg, was elected a member of the board.



—Toledo "News-Bee."

A NEW, BUT VERY CONFIDENT, TRAFFIC COP

Provincial Legislation Passed to Order of Hydro Commission

Mayor Weaver Draws Conclusions From Hydro Reports

Commission Evidently Proceeded on Assumption that Legislation Authority Could be Secured as Desired

That there are evidences that at times provincial legislation in Ontario has been framed to suit the financial affairs of the Hydro-Electric Commission instead of the affairs of the Hydro being arranged in accordance with powers already granted, was indicated in the testimony before the Sutherland Commission of L. E. Weaver, formerly mayor of Hespeler, who as chief magistrate of the town opposed Hydro proposals on the ground that the estimates were not on a sound business basis. Mr. Weaver's evidence in this connection was ignored by the Toronto newspapers which are favorable to Hydro policy.

In making the point that evidently the Hydro had on occasion proceeded on the assumption that authority could be secured later from the legislature, Mr. Weaver referred to the special report of Auditor Clarkson submitted to the public in 1918 and covering the financial transactions of the Hydro Commission to October 31, 1917. Page 11 contains a special reference to legislation as follows:

> "All special funds and the income and revenue thereof and all monies and revenues which are now in and shall go into the hands of the commission whether as agent, trustee, owner, or otherwise, shall form one fund to be called the "General Fund" and the Commission shall have power from time to time to make any and all expenditures out of the said fund for the purposes and objects of the commission **without regard to the special trusts** or purposes under which the same or any part thereof may come into its hands and the commission shall account for and from time to time pay out of the said fund all monies for which it shall be so accountable."

Mr. Weaver laid special emphasis on the fact that while this legislation was referred to in the Clarkson report covering operations to October 31, 1917, the legislation was not actually enacted by the provincial legislature until May or April of 1918.

The Inference Is—

The inference drawn from this inconsistency was that the Hydro accounts were found to be in such a condition that the auditor suggested legislation to pave the way for the legality of certain suggested diversions. Advantages taken of this legislation at later dates were numerous. Mr. Clarkson in his report for the year ending October 31, 1918, on page 7 said that advances by the province in connection with a certain development amounted to $5,075,000 and that the expenditures by the commission exceeded these advances and were provided for out of other funds of the commission; the expenditures for the fiscal year amounted to $5,174,181.

On page 15 of the same report he referred to cash advances re the Niagara Power Development as being $5,750,000. Appropriations by legislature amounted to $4,175,000, of which only $3,875,000 was paid to the commission, and the expenditures for the year exceeded the amount drawn by $1,299,181, which amount was applied by the commission out of funds received from the province for account of other systems. On page 18 of the same report Mr. Clarkson says:

> "It is apparent that the members of the commission of themselves were not fully seized of the extent by which appropriations were being exceeded or monies being expended for purposes other than those for which appropriations had been asked."

With reference to this remark it was pointed out that at this date the Ontario Hydro-Electric Commission consisted of only two members, Sir

Continued on page 16.

REGINA'S ACTION COMES INTO COURTS

Toronto General Trusts Corporation Making Out Test Case

By Resident Representative.

REGINA.—A test case in Toronto will soon demonstrate the legality of the action of Regina's city council last year in refusing to pay interest coupons on sterling bonds at par rate of exchange.

Notice of an action to recover the difference between par and current rate of exchange has been received by the city council.

The plaintiffs are the Toronto General Trusts Corporation and they base their claim on coupons due March 1 and September 1, 1920. In a letter to the city council, it is suggested that the question should be made the subject of a stated case and the company's lawyers ask if the city is willing to abide by the decision of a Supreme Court judge, both parties waiving the right of appeal.

The city is willing to agree to a stated case but will not waive the rights to appeal and the city solicitor has been authorized to take the necessary steps to contest the claim in the courts. The case will probably be heard in Toronto.

STOCK MOVEMENTS STILL IRREGULAR; TRADING IS DULL

Have Not Begun to Discount Return of Normal Business Conditions

LIST COLORLESS

Early Development at Opening Of Year Not Sustained—Some Indications of a Favorable Business Readjustment

The stock markets have not as yet begun to discount a return to normal business conditions. The preliminary rally at the opening of the year has not been sustained, and the markets are now displaying dragging tendencies on a par with those conditions which prevailed throughout the closing months of the past year. The Montreal exchange has been particularly depressed, and a low record of turnover for the year was established this week. While minor rallies served to infuse some degree of animation into the Toronto list, the week on the whole was colorless with the price trend mainly downward.

There was scarcely an illuminating feature to break the monotony of stagnation that has developed. The paper stocks were easier, with the losses, however, of minor proportions. The tractions were firmer in view of the prospect of higher earnings for these companies arising out of the decline in operating costs, together with the fact that a number of fare increases granted during the past year are still in force with little prospect of reduction for some time yet. The industrials were on the whole fairly steady, with the more popular investment features the main objects of interest. There was little evidence of speculation during the week, despite the fact that the money situation is gradually improving. Brokers report their ability to secure plenty of funds at lower rates of interest than has prevailed for some little time.

On the whole, however, the stock

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399 Branches in Canada extending from the Atlantic to the Pacific

UNION BANK OF CANADA

Dividend No. 136

Notice is hereby given that a dividend at the rate of 10% per annum upon the Paid-up Capital Stock of the Union Bank of Canada has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Tuesday, the First day of March, 1921, to shareholders of record at the close of business on the 12th day of February next.

The Transfer Books will be closed from the 14th to the 28th day of February, both days inclusive.

By Order of the Board.

H. B. SHAW,
General Manager.

Winnipeg, Jan. 21st, 1921.

THE DOMINION BANK

Established 1871

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WILL ADVERTISING COSTS REMAIN AT PRESENT LEVEL?

A Question Which Merchants and Manufacturers Are Considering

THE MAIN FACTORS

Publishers Pointing Out Paper and Other Costs are at the Top and Postal Charges Much Higher

With the tendency towards lower prices in many directions and manufacturers looking to reduce production charges while retailers want to lower the costs of doing business, the question of advertising appropriations is receiving more attention than usual. At first glance it would seem that advertising prices like the prices of most commodities should immediately take a lower level but there are several factors which must be taken into consideration.

On behalf of the publishers the argument is advanced by Marketing that while most prices have been following the market the charges for advertising have not done so. In this connection we read:

> There is this important difference to be taken into consideration, however, between the prices charged for advertising space, and those prices which manufacturers, wholesalers and retailers have been getting. For four or five years of climbing costs the selling prices from month to month in practically every line of business have kept pace. Prices of most goods have been based, not merely on the cost of those goods, but on replacement values.
>
> Advertising rates, however, have not followed the "market." The rates actually paid for advertising space by most advertisers during the past year were those based on costs of a year previous—although the publisher's costs had gone up meantime by at least 50 per cent. The increased rates which now appear in many estimates for 1921 advertising are those fixed during the past year, and based on costs during 1920—since when the publisher has had to meet further increases, notably print paper and postage.
>
> The situation which so many manufacturers face at present, of having to market manufactured goods at cost or less than necessary margins over cost, is one which publishers have been experiencing during the past couple of years. If any evidence of this is needed it is found in the number of publications which have been forced out of business on this account.
>
> Due to the practice of accepting contracts for a year, and of accepting extensions for a year "at the old rate" when any increase was announced, the publisher's selling price has been about a year behind the market for his raw material and labor—and with his costs jumping as they have done during the past couple of years, this has been a serious matter. It is poor business practice, of course, and the publisher has had to suffer for it.

Costs of Production

In the year just opening the paper bills of many publishers will be much higher than ever before. And there is no indication that there will be any material reduction in the near future. THE FINANCIAL POST last week reported statements at the convention of paper makers at Montreal which indicated that there was no overproduction and that while there would be some adjustments in prices from time to time there was no indication that there would be any material reduction from the present level—a level which, as previously pointed out, is much above what many publishers paid for their paper last year.

Then there is the question of postage. The new rates being put into effect by the Postoffice Department will show increases up to 200 per cent. in 1921 with a further even greater increase in 1922. These increases are above last year's production costs.

Careful Consideration

It is obviously, therefore, a time when advertisers should give careful consideration to their appropriations. With the great majority it is not a time when it will be considered wisdom to curtail expenditures because it is necessary to put more energy into the sales campaign at this time than it has been during the recent years of abnormal consuming demand. It is then largely a question of getting the best value for the expenditure. Advertising should be considered wholly on its merits. It should be figured as any other cost of production. It should not be linked with charitable donations and good-will contributions. It should bring definite results which can be estimated in sales and profits. The advertiser should consider the public he desires to reach and then use the medium or mediums which will do so most effectively.

The foreign debt of France is officially estimated in the 1921 budget at 83,273,000,000 francs. The total French debt is estimated at 285,836,000,000 francs. This indicates that more than two-thirds of France's debt is held at home.

SCHWAB ON REPARATION

Will Endeavor to Get a Line on European Affairs

NEW YORK,—Before sailing for Europe, Charles M. Schwab, head of the Bethlehem Steel Company, told a representative of Dow, Jones & Company that he was not making a trip solely to get a rest, but that he would pay particular attention to the question of German reparations and other foreign financial matters. He will also attend to some business for the Bethlehem Steel Company.

"The reparations question," he said, "is one that should be regarded as very important to America. I want to get a close-up view of all these European conditions. I will be back in five weeks, during which time I hope to visit Rome, Naples, Paris and London. While away I will get a chance to talk with some old friends in Europe."

1,034 INSOLVENCIES IN CANADA IN 1920

Record Somewhat Under Normal—1914 Most Disastrous Year

Compared with the record for the past forty-nine years the total number of commercial failures in Canada during the year 1920 was somewhat under normal, according to statistics compiled by the R. G. Dun & Co., of New York. There were 1,034 insolvencies recorded for Canada during 1920, which compares with 755 for the previous year; 1,097 for 1917, 2,661 for 1915, and 2,898 for 1914. The failures during 1920 were distributed by provinces as follows: Ontario, 269; Quebec, 380; British Columbia, 64; Nova Scotia, 50; Manitoba, 71; New Brunswick, 27; Alberta, 56, and Saskatchewan, 117. It is interesting to note that Newfoundland is regarded as one of the provinces of the Dominion, with failures totalling 44. The assets of the insolvent companies amounted to $18,569,516, and their liabilities $26,494,301. There were 255 failures among manufacturing concerns, 771 trading, and 52 other commercial. The Province of Prince Edward Island was the only province to escape without a single failure.

A survey of the record for the past forty-nine years reveals the fact that the year which witnessed the outbreak of war was the most disastrous to the commercial institutions in the history of this country, when 2,898 firms were forced into insolvency. The record for 1907, which will be recalled as a year of business depression, was practically normal in so far as failures were concerned, the number totalling 1,278, which compares with 1,184 for 1906, and 1,640 for 1908.

BRITISH GOVERNMENT OWNERSHIP A JOKE

Telephone Service Is Very Inefficient and Is no Longer Even Cheap

It seems to be regarded as the proper thing to complain about the telephone service. It is a question, however, if any country in the world has a more efficient service than Canada. The government telephone system in England, for instance, is regarded as a joke by Canadans and Americans. According to the Wall Street Journal there has been only one thing to be said for the British system and that was that it was cheap but with advanced rates now going into effect even this feature is no more.

> No American traveler who has ever used the British government-owned and operated telephone system has failed to return to this country thoroughly reconciled to the American system. Perhaps the only argument for the superiority of the British service was that, up to the war, it was cheaper than ours. Any user of it would have been glad to pay American prices to secure American service.
>
> But even this illusory advantage disappears under the new rates in England, which are now actually higher for every class of service than those of our own telephone systems. The single call is advanced to threepence—six cents—as against our five cents. The contracts are substantially more expensive, and so far from there being a guaranty of better service for higher rates a further deterioration is a mathematical certainty.
>
> There is a system of recording calls, and charging for them, which would not be tolerated here for a week. The renter of the telephone calls a number and is electrically recorded thereupon as making a call. After ten patient minutes he calls "Central" again, having failed to get his number. For this "service" a second call is charged to his account. Great business organizations like Selfridge's have vainly showed the post office department, which runs the telephones, that the increase will mean thousands of pounds a year to them with rather less than nothing to show for it.
>
> Our own departmental experience in Washington might teach us to draw the lesson. An expensively conducted department is badly managed. Does it offer better service? It says: "If you will give us more money perhaps the service can be improved." Having more money than enough, the department should say: "We have made a mess of it. Give us more money and we will make a bigger mess. The more money the more mess."

ACTIVE TRADING IN OIL LEASES AT EDMONTON

Keen Demand for Properties at Calgary Also

IMPERIAL OIL BUSY

Will Do Some Drilling in the Ponce Coupe Fields in the Peace River Country

By Resident Representative.

EDMONTON.—There is considerable activity in oil lease trading here, notwithstanding the recent orders from Ottawa shutting down on the filing of further claims until new regulations have been drawn up. Both in Edmonton and Calgary the demand for leases is beginning to be fairly keen, and some transfers have been put through at $30,000 and thereabouts. The leases thus changing hands are mostly in the Fort Norman and Great Slave Lake fields, but the Peace River district is now assuming considerable importance as a possible field for development.

The suspension order from Ottawa did not affect the staking of claims except in the Mackenzie territory, and during the past two weeks there has been a near-stampede to file on petroleum lands in the Pouce Coupe fields in the Peace River country. From 5,000 to 10,000 acres per day have been filed on at the Grand Prairie land office, which handles the mine recording work for the district, and over $100,000 has been taken there in fees.

Imperial Oil Active

Among the interests entering this field is the Imperial Oil Company, which will, it is reported, do some drilling in the Pouce Coupe district during the coming season. A. M. McQueen, vice-president of the company, when here a few days ago, stated that drilling operations would also be carried on in the Mackenzie field, even if it is not possible to acquire additional claims. The imperial stakings there at present total about 60,000 acres, and it was the intention of the company to use its aeroplane service in the location of new areas this summer; but in any case its present holdings will be developed. It still remains to prove the field and to secure conclusive evidence as to its having a commercial oil supply.

Along with the activity in oil leases just now there goes also an attempt to sell oil stock to the public. In this direction the Alberta Public Utility Commission is safeguarding the interests of investors, among its latest decisions being one to the effect that a Vancouver oil development concern, capitalized at $1,000,000 under the British Columbia laws, may not sell shares in this province. It asked for permission to dispose of $50,000 in Alberta in one-cent shares. The scheme did not look sound to the Utility Commission, and the desired permission was refused.

BRITISH TRADE FIGURES

November Exports Were Better Than Anticipated

LONDON.—In view of the present slump in trade, the export figures for November were better than had been anticipated. It must be remembered, however, that a considerable volume of goods is still being exported under prior contract; also that recent reports from the Provinces are unanimous in stating that fewer new orders are being received and that many previous orders have been cancelled. In this connection, the following table is of interest, for it will be seen that, whereas the highest import figures during 1920 occurred in the months of January, February and March, the largest totals in the case of exports were in May, June and July.

	Imports, 1920	Exports, 1920
January	£183,498,388	£121,344,386
February	170,514,272	108,567,919
March	176,647,515	130,730,738
April	167,154,309	126,659,111
May	166,333,816	139,579,500
June	170,491,230	136,476,278
July	163,342,351	155,300,383
August	153,254,578	128,271,682
September ...	152,692,339	130,806,521
October	149,889,227	128,429,034
November	144,260,183	132,479,853

These statistics illustrate the fact that in our position as an industrial and manufacturing country, large quantities of raw materials and semi-manufactured articles are imported and subsequently exported in the form of manufactured articles. It follows that the recent reduction in imports may foreshadow a corresponding reduction in exports in the near future.

The total exports of France in 1920 were 22,444,000,000 francs as against 11,879,000,000 francs in 1919, while total imports were 35,404,000,000 francs and 35,799,000,000 francs in the respective years.

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Established 1837. Incorporated 1880
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Paid-up Capital ...£2,500,000
Res. Fd., £2,570,000 Together £5,070,000
Res. Liab. of Proprietors....£5,000,000
Total Capital and Reserve.£10,070,000

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In Tasmania 3
And in NEW ZEALAND. 44

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PRIVY COUNCIL APPEAL A REAL EMPIRE BOND

Sound Arguments by President of Manitoba Bar Association

AS TO INDEPENDENCE

Canada Could Not Be Absolutely Independent and Still Hold a Place in the Empire

By **EDWARD ANDERSON, K.C.,**
President Manitoba Bar Association.

By reason of the wonderful part taken by Canada in the war she has attained world-wide fame, and the valor of her sons is known to the ends of the earth. Canada's advance from a constitutional standpoint is also a matter of pride to all of us. From the lowly position of a Crown colony a comparatively short time ago we are now a self-governing nation within the Empire. Our advance has in fact been so rapid that perhaps it is time to pause and consider how much farther it is advisable to go. The bonds that unite us to the Motherland are now largely sentimental (and stronger ties than these I admit there cannot be). Nevertheless, I believe that some tangible connection there must also be if we are to remain within the Empire.

There is at the present time much discussion as to whether or not one of the tangible links should not be broken, viz., the right of appeal to the Privy Council. There are those who also contend that the appointment of our governors-general should be made solely on the advice of the Canadian government.

Now, the only remaining visible tokens of our connection with Britain are appeals to the Privy Council, the appointment of a governor-general, and the right of the Imperial Government to pass laws applicable to the whole Empire. The latter right, however, is not now exercised, and undoubtedly never will be, so far as Canada is concerned, except at Canada's request. If these ties are done away with the question naturally arises as to what our position would be. Would it not mean logically an independent nation?

My own thought is that our present position is eminently satisfactory. We are a self-governing people with the proud right to call ourselves, and claim, the inestimable privilege of British subjects with all the glorious traditions connected therewith. In what respect are we placed in a position of inferiority by enjoying the privilege of an appeal to the Judicial Committee of the Privy Council, undoubtedly one of the strongest courts in the world? It is simply a right that we may, or may not, take advantage of as we see fit.

We, as Canadians, are proud of the fact that the source and inspiration of our laws is England. What then can be the objection of submitting if we choose to do so our important disputes to that court for final adjudication? There is much to be said in favor of placing a reasonable limit to the right of appeal. It may well be that the right is too wide, and that only cases involving large amounts, or very important principles, should be taken there. That, however, is quite a different matter from abolishing the right. The fact should not be lost sight of that the Privy Council is a court of last resort for all parts of the Empire, that it is in no sense an English Court of Appeal (English, Scotch and Irish appeals go to the House of Lords), and that Canada is represented upon the Judicial Committee of the Privy Council. If further representation should be desired I have no doubt it could be obtained.

Remember this, too, that the sentiment binding us to Britain must be mutual, and that if the virile child chafes too much the parent, while recognizing the right of the child to break away from the parental roof, may still resent it. England is proud of, and recognizes the strength of Canada, as an Empire asset, and is desirous of continuing the present connection. Should we not do our part to promote and justify this pride?

Canada's Future Status

There is evidently a propaganda having for its object the creation of a Canadian sentiment in favor of absolute independence and at the same time remaining within the Empire. This to my mind is paradoxical and a very dangerous policy to advocate. I fail to see how we can become entirely independent of Great Britain and yet remain within the Empire. Some sort of a nebulous understanding is suggested by which the various nations constituting the Empire should have conferences and thereby work in harmony. It is hard to realize how any such procedure would tend to the maintenance of Empire unity. Some visible and practical bond there must of necessity be. Again, I say, it behooves us to proceed with caution, and see our way clearly before we act.

In what I have said with reference to Canada's status, I do not overlook the fact that the right is conceded us of negotiating and dealing through the slow and tedious formalities of proceeding through the Colonial office, and as to the United States we are about to put this right in practice by having an accredited ambassador of our own appointed at Washington. In what I have said I do not want to be understood as arguing against natural and proper evolution and progression. What I do, however, strongly urge, is to proceed slowly and deliberately, and, before taking any drastic step such as the abolition of appeals to the Privy Council, see and realize where this is leading us.

BIG PACKERS FAILED TO MAKE DIVIDENDS

Drew on Reserves or Surplus for Usual Disbursements to Shareholders

BOSTON.—Of the five major packing companies, three have thus far made public their annual statements, Swift, Armour and Cudahy, and each confessed inability to earn dividends in 1920 without drawing upon reserves or surplus. Swift & Company made the best showing of the three, earning net of over $5,000,000, though it was obliged to dip into surplus for close to $7,000,000 to pay dividends. Armour & Company, while apparently showing enough profits to pay dividends and carry a small surplus forward, actually suffered "losses aggregating millions of dollars" on business done in this country—as stated in the annual report—and was obliged to draw on reserves accumulated by the foreign subsidiaries. This transaction does not appear in the balance sheet so that the book surplus suffered no depletion.

Cudahy Packing Company, while showing an indicated profit for the year of $624,228 before dividends, also experienced very heavy losses. As opposed to the Armour statement, which placed blame for losses on poor domestic business, the Cudahy Company laid these entirely to foreign business. Its surplus showed a decrease from 1919 of $4,497,853.

RUSHING WHEAT INTO THE STATES

Western Farmers Are Taking No Chances on Defeat of Fordney Bill

By Resident Representative.

REGINA.—With the possibility of the U. S. placing an import duty on Canadian wheat, the rush of the western farmers to get their product across the international border is continuing. On the Soo line alone, which crosses the border at North Portal, Sask., over 1,000 cars have passed since the first of the year. Railroad business, say officials, without these wheat shipments would be very light. The premium on American money is, of course, an important factor in the wheat movement.

Taking into account the amount of grain required to be held for seed purposes, less than one-fourth of the total wheat yield in the three prairie provinces now remains to be marketed, according to A. Wilson, seed grain commissioner. About 133,000,000 bushels of the 1920 crop has been marketed; in addition, 40,000,000 bushels are required for next year's seed, leaving 50,000,000 bushels of marketable wheat still in the country. With few exceptions the farmers have enough seed wheat on their own farms for spring seeding but there is a shortage of barley and oats in a few districts.

Final figures issued by the provincial Department of Agriculture show that 113,135,274 bushels of wheat were produced in Saskatchewan during 1920. This is an increase of 23,141,589 bushels over the 1919 figures. The yield averaged 11.2 bushels an acre as compared with 8.5 bushels the previous year. The total acreage under cultivation for wheat was 10,061,069 as compared with 10,587,363 acres in 1919.

The prospects for next season, says the department, are the best they have been at this period for several years. The land is in better condition than it has been for years, owing to heavy fall rains. The rainfall was the best since 1915, when the province of Saskatchewan had a record year.

PRICES FOR FARM IMPLEMENTS GO UP RESENTED IN WEST

Farmers Claim That These Manufacturers Are Not Meeting the Situation

POLITICAL CAPITAL

Representative of Industry Points Out Why Reductions Cannot be Effected at Present Time

REGINA.—Word has reached here from Ottawa Government circles that Premier Meighen contemplated a scheme for the nationalization of wheat purchasing in Canada and that this will be brought in at the coming session. This is as an offset to the effort of the Saskatchewan Government and others to arrange a wheat pool for the Western provinces.

The increased prices being asked by implement makers this season is causing a good deal of serious talk amongst the farmers. While all other materials and commodities are declining, they assert that the implement makers are taking from them all they can grab, and are not willing to meet the present situation. These higher prices will no doubt give added impetus to the agitation for a lower tariff and farmer candidates. These prices are resented not only by farmers but by all business men in the country.

Discussing the situation respecting the manufacture of agricultural implements with THE FINANCIAL POST a prominent representative of the industry in Toronto stated that it was quite true there had been no price reductions as yet, while there was even a slight advance lately in several lines.

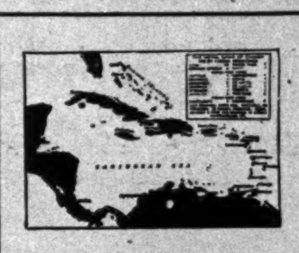
It would not be possible, he said, for companies engaged in the manufacture of agricultural implements to make a material reduction in price for some time to come, notwithstanding the fact that prices were coming down in the majority of lines. During and following the period of the war, the prices of nearly all commodities, and labor as well, were enhanced to hitherto unprecedented levels. All the materials entering into the manufacture of farm implements rose to high levels, thus greatly increasing the cost of manufacture. While the implement prices rose the increases did not keep pace with the increases in the cost of production. In the years following the war there had been comparatively small advance in the price of implements, notwithstanding the fact that it was during that period that prices generally were boomed to high levels. For this reason the margin of profit has been considerably reduced, but the implement manufacturers were able to carry on at the moderate prices through the very large turnover experienced.

The implement manufacturing business is usually a large scale concern, and buyers are forced to provide in the present for business months and perhaps even years ahead. They cannot afford to take any chance that the plant will be forced to close down through lack of an adequate supply of materials. The implement manufacturers of this country were required to buy largely, our informant pointed out, at a time when prices of commodities were at their peak, and this coupled with the fact that the margin of profits at any time was comparatively narrow prevented prices of the finished products of these industries following the downward trend of the prices in the general markets.

Labor costs is one of the larger expense items in this industry, and no move had as yet been made, nor is such action under consideration, it is stated, toward reducing the wages of labor. Labor has, however, responded to the altered conditions, and is now more productive than a number of months ago.

FEDERAL RESERVE BOARD

WASHINGTON.—The Federal Reserve Board's weekly bank statement indicates aggregate reduction of $29,500,000 in bill holdings, accompanied by decrease of $29,800,000 in Federal Reserve note and Federal Reserve Bank note circulation. Gold reserves show increase for week of $10,400,000 and total cash reserves increase of $18,700,000, while net deposits increased by $14,700,000. As a consequence of these changes, banks' reserve ration rose from 48.5 per cent. to 49 per cent.



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Yielding 6¼%

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CONSOLIDATED SMELTERS

The Consolidated Mining and Smelting Company reports ore receipts at Trail Smelter for the week ending January 31, amounting to 13,306 tons, while for the month of January the receipts were 33,075 tons.

MUNICIPALITIES INFLUENCED BY HYDRO PROMISES

Bond Guarantee a Factor in Passing of By-Laws

ARBITRARY POWERS

Municipal Officials Criticize Hydro Legislation — For Good Roads and Motor Transport

That councillors and electors in municipalities where hydro radial by-laws were submitted were influenced favorably for the measures by public statements that the Ontario Government would guarantee the bonds was the opinion expressed by witnesses who appeared before the Sutherland Commission during the last few days of its sittings. Among those who were called by R. S. Robertson, counsel, to give evidence on this and other features entering into the situation were Lester Weaver, for five years mayor of Hespeler; D. N. Panabaker, his successor in office; H. L. Pascoe, reeve of East Whitby; J. Stewart, reeve of Scarboro; H. Redman, solicitor for that township; Township Clerk Purvis, of East Whitby; W. Allin, clerk of Darlington township; Dr. Shaw, a former member of the London & Port Stanley Railway Commission, and Thomas Baker, reeve of Darlington.

These gentlemen were examined on several aspects of the campaigns, public meetings, publicity, debenture issues and promises relating to the radial proposals. Reeves Stewart and Pascoe, Solicitor Redman and the two township clerks said it was their understanding, gathered from statements made by representatives of the Hydro-Electric Power Commission, that if the proposed hydro radials were built the Ontario Government would guarantee the bonds, so that while the municipalities would be asked to issue their debentures up to the amount estimated for the cost of construction these debentures would only be held as collateral and would not be sold except in default of payment by municipalities of deficits in operation, etc. Reeve Baker also said that it was held out by T. J. Hannigan, secretary of the Hydro Radial Union, that the farmers would get cheap lights through the construction of the radials. Without the Government endorsation, however, the situation took on a different complexion and they were not sanguine as to the fate of the by-laws if they were re-voted on.

Develop the C.N.R.

Particularly was it made clear by municipal spokesmen from places east of Toronto that since the nationalization of the G.T.R. and the C.N.R. a new element had entered into their judgment and they were not prepared to say that these nationally owned lines could not be made adequate in service to meet all public demands.

Ex-Mayor Weaver of Hespeler did not hesitate to criticize the arbitrary powers that are vested in the Hydro Commission, powers that he thought were contrary to democracy. The control of the Hydro over streets of municipalities which carried by-laws was too one-sided. There was not even an appeal from their rulings provided in the acts, except an appeal to the commission itself, and therefore municipalities were helpless. He also said his council had grave doubts as to the soundness of the hydro estimates of earnings on the proposed Guelph, Galt and Hespeler line and did not care to assume heavy financial obligations on the meagre information then at hand.

Good Roads and Motors

Several of these witnesses were asked as to what effect they thought the construction of improved public highways would have and in answer stated that they thought good roads and the development of motor transport would of course provide means of transportation that was not so common when the hydro radial by-laws were voted upon.

Summarized the weight of testimony given by these municipal representatives was that conditions had so changed during the last two or three years that they had doubts as to the advisability of proceeding with new railways until the electors spoke again.

DULUTH-SUPERIOR

The Duluth-Superior Traction reports earnings for the ten-day period ending with January 31, amounting to $50,593 as against $53,099 for the corresponding period in 1920, a decrease of $2,506 or 4.7 per cent., while for the month the earnings totalled $155,750, a decrease of $10,731 or 6.4 per cent.

BLACK LAKE ASBESTOS

Interest Paid on the Second Mortgage Bonds

Robt. Massie, general manager of the Black Lake Asbestos Co., Ltd., reports that at a directors' meeting on Feb. 8 it was decided to make payment of the 3 per cent. interest due for the half year ending Dec. 31st on the second mortgage income bonds. Payment will be made on March 1st.

The company reports a favorable volume of business, exceeding the same period last year, though not quite so large as during last fall. The remarkably open winter has made operating conditions particularly favorable. The bulk of sales go to Europe and are handled on a cash against document basis. The general meeting of the company will take place on March 2nd.

RULING UNFAIR TO BRITISH INVESTORS

Criticism of Decision of Arbitration Board on G.T.R. Purchase

The decision of the Board of Arbitration on the purchase of the Grand Trunk System by the Dominion Government not to allow evidence as to replacement costs in striking a valuation of the physical assets is being criticized in England as unfair to the British investor.

The London Telegraph says that the attitude of the Government and the commission, to say the least, is strange. To whittle down the value of property in which millions of pounds sterling are sunk by British investors is not the way to attract further capital for the future development of the dominions.

The Yorkshire Post remarks that Grand Trunk stock holders will pay dearly for an early decision, if, as seems likely, it results in a substantial reduction in the award. The Post also recalls that nothing has yet been heard of the two years' interest arrears on the Grand Trunk Pacific debentures, which is a serious matter for thousands of small investors here.

RITZ-CARLTON'S YEAR

Best in Its History With Bright Prospects for Present Year

MONTREAL—At the annual meeting of the Ritz-Carlton Hotel Company of Montreal, Limited, the most prosperous year in the company's history was reported, including the statement that the earnings had been more than sufficient to cover all bond interest requirements. With the general drop in commercial buying at the end of October the business of the hotel had declined for the two final months of the year, but with the month of January there had been a revival, and a big year is looked for for 1921. One change was made in the Board of Directors, Chas. D. Wetmore, of New York, succeeding H. V. Higgins, of London, Eng. Charles R. Hosmer was again chosen as president, with Sir Charles B. Gordon as vice-president, succeeding J. M. Mackie. Other members of the Board are: Sir Herbert Holt, Sir H. Montagu Allan, Charles Meredith, J. M. Mackie, J. K. L. Ross, Hartland B. McDougall and William Harty, Jr.

SPANISH RIVER

A report from Sudbury says that while the Spanish River Pulp & Paper Company has not been saying much about its large importations of ground pulp from Europe, it was generally known that the shipments were heavy. However, the company suspended importations for January, and thus the customs returns gives some idea of the pulp value brought in.

The custom receipts for January were $31,979.45, while those for December, 1920, were $132,745.81, a difference of over $100,000.

BRAZILIAN TRACTION

The Brazilian Traction, Light and Power Company reports gross earnings for month of December amounting to 12,600,000 milreis, an increase of 2,861,000 milreis over the same month in 1919. Operating expenses at 6,917,000 milreis were higher by 2,066,000 milreis, while net amounting to 5,683,000 milreis compared with 4,888,000 milreis in the previous year, an increase of 795,000 milreis.

The aggregate gross for the year was 134,906,000 milreis, which is an increase of 21,832,000 milreis over the 1919 figures, and the aggregate net amounting to 69,991,000 milreis, increased by 11,568,000 milreis. Following are comparative figures for the twelve months:

1920.	Gross (milreis).	Net. (milreis).	Net inc. (milreis)
Jan.	9,655,000	5,101,000	827,000
Feb.	9,381,000	4,984,000	1,120,000
March	9,900,000	5,310,000	297,000
April	10,245,000	5,595,000	499,000
May	10,985,000	6,262,000	1,045,000
June	10,874,000	5,796,000	919,000
July	11,745,000	6,118,000	729,000
August	11,837,000	6,152,000	1,267,000
Sept.	2,910,418	1,945,823	793,844
Oct.	13,442,000	6,940,000	1,977,000
Nov.	12,199,000	5,824,000	885,000
Dec.	12,600,000	5,683,000	795,000

WORLD CONDITIONS IN THE STEEL TRADE

A Shortage of Fifty Million Tons as the Result of The War

E. P. Thomas, president of the United States Steel Products Co., the subsidiary of the U. S. Steel Corporation dealing with export business, spent a few hours in Toronto, during which a number of men interested in the iron and steel industry had the opportunity of meeting him at a luncheon arranged at the Toronto Club.

Discussing world conditions, Mr. Thomas had the experience of a long trip in Europe to draw from. "Many undertakings will be gone on with now that had been held up for years, fearing the outbreak of the German army and possible German domination. There is the railway in Mesopotamia to Bagdad, and other undertakings. During the years of the war a large amount of steel was withdrawn from commercial and industrial usage, and it is safe to say that now there is a shortage of fifty million tons of steel."

Neither Germany nor France nor Belgium was in a position yet to produce to anything like capacity. It would take France some time to take full advantage of her new iron ore and coal resources. Britain was having difficulty also with labor troubles, and there would be a big export business from the American continent.

The company of which he was head had such faith in the possibilities of export business that they had gone ahead with the construction of 32 ten to twelve thousand ton ships, at a cost of from fifty to sixty million dollars.

Coming to the operations of the corporation at the plant at Ojibway, Mr. Thomas intimated that construction costs had been the chief obstacle in holding back the completion of this installation. They had already spent four million dollars there, but had hesitated in going ahead faster because the original estimate of twenty millions for the plant had come to look more like fifty millions. They were anxious as soon as possible to get under way in Canada, and to take their place as manufacturers in the Dominion.

For the future Mr. Thomas had no fears, and during his short stay in Canada he claimed he had unearthed even a better brand of optimism than was prevalent in many parts of United States. Many of the problems following the war had been dealt with, and conditions were favorable to a resumption of normal business.

THE FLOUR MARKETS

Export Demand Has Been Very Disappointing

MONTREAL.—Export demand for Canadian flour continues very quiet, and so far this year has been disappointing. There was a little demand a few weeks ago, but this was merely a flash, and since then scarcely any orders have been received. Indeed, export to the United States has not been maintained at the former rate, and it seems certain that many of the mills will be required to run far below capacity unless an immediate improvement is evident.

UNLISTED SECURITIES

	Bid.	Asked
Alberta Pac. Grain, com.	140	..
Do., pref.	76½	86
Ames-Holden Tire, com.	..	40
Belding Paul, com.	..	37
Do., pref.	74	..
Brandram-Henderson, com	..	60
British Amer. Assur.	8¾	12
Can. Machinery, com.	22	27¾
Can. Marconi, com.	..	2¼
Canadian Oil, com.	64	70
Can. Westinghouse	100	107
Cockshutt Plow, pref.	59	65
Cuban Can. Sugar, pref.	34	50
Can. Woolens, pref.	60	73
Crown Life Ins.	70	90
Dom. P. & Trans., com.	..	40
Do., pref.	84	88¾
Dunlop Tire, pref.	88	92
Home Bank	99½	103½
Goodyear Tire, pref.	65	75
International Milling pref.	..	90
Loew's Hamilton	..	115
Do., pref.	..	85
Marcus Loew's, pref.	..	90
Mattagami Pulp, pref.	65	74
Do., com.	22	30
Mercantile Trust	90	100
Manufacturers' Life	170	200
Murray-Kay, pref.	60	68
National Life	150	..
North Amer. Pulp	5¼	5½
Page Hersey, pref.	85	..
Riordon, com. (new stock)	24	30
Do., pref. (new stock)	79	84
Sterling Coal, com.	19	23
Robt. Simpson, pref.	76	81
Sterling Bank	108	116
Trusts & Guarantee	70	75
United Cigar, com.	.55	.75
United Cigar Stores, pref.	1¾	2¼
Western Grocers, pref.	61	69½
West. Can. Pulp	..	20
Western Assurance	9¾	12
Whalen Pulp, com.	17	19
Do., pref.	40	42
Can. Mortgage	65	71
Eastern Theatres	11	16
Massey-Harris	..	98
Peoples Loan	..	70

NEW SUN LIFE STOCK

Issue of $1,000,000, of Which 35 Per Cent. Will Be Called

MONTREAL—At the annual meeting of the Sun Life Assurance Company this week the shareholders ratified a proposal of the board to issue $1,000,000 par value of new stock, of which 35 per cent. will be called. This will increase the paid up capital from $500,000 to $850,000, out of a total amount authorized of $3,000,000. The old board was re-elected, with T. B. Macaulay chosen again as president and managing director; S. H. Ewing as vice-president; together with Robert Adair, W. M. Birks, Hon. R. Dandurand, J. R. Dougall, Sir Herbert Holt, C. R. Hosmer, Abner Kingman, Dr. H. R. Macaulay, Carl Riordon and John W. Ross.

FAMOUS PLAYERS

Preliminary reports on the earnings of the Famous Players Canadian Corporation during the first four months of the company's fiscal year, August 28 to December 28, indicate that there has been an increase in net earnings of approximately 50 per cent. in excess of those of the corresponding period of the previous year. A number of theatres are not yet in operation. It is estimated that additional theatres to be opened by April 1 will largely swell the current earnings.

50.60% Increase—

In our Public Utility booklet which we issued a short time ago, we predicted better earnings for Public Utilities, and advised the purchase of all classes of Public Utility securities, more particularly those owning and controlling water powers.

As a concrete example, WINNIPEG ELECTRIC RAILWAY COMPANY'S net earnings for the first 11 months of 1920 show 50.60% increase over the same period of 1919.

We believe the securities of Winnipeg Electric Railway Company offer great investment possibilities.

Write for our analysis of Winnipeg Electric Railway Company.

NESBITT, THOMSON
and Company, Limited
Bank of Hamilton Bldg., TORONTO
Montreal Hamilton London, Ont.

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REPORT OF ANNUAL MEETING

The Victoria Loan & Savings Co.

The twenty-fifth annual meeting of the shareholders of The Victoria Loan and Savings Company was held in the Council Chamber, Lindsay, on Tuesday, February 1st, 1921, at 2 o'clock p.m.

The attendance was unusually large and included many out of town shareholders. The President, Mr. Wm. Flavelle, took the chair, and Mr. C. E. Weeks, the Manager, acted as Secretary and read the notice calling the meeting together, with the Directors' Report and Balance Sheet for the year 1920, as follows:—

The Directors of The Victoria Loan and Savings Company have pleasure in submitting herewith their Twenty-fifth Annual Report, showing the result of the Company's operations for the past year, accompanied by the Balance Sheet to December 31st, 1920, duly audited.

After deducting interest charges, cost of management, income tax and all other expenses, the balance available for distribution is $103,048.01. Out of this were paid four quarterly dividends at the rate of 8 per cent. and a bonus of one-half of one per cent, $42,000 was added to Reserve Fund and the balance carried to Profit and Loss Account. It will be noted that the shareholders now have more than One Million Dollars in the Company's business, providing the most ample guarantee to our numerous depositors and clients. Feeling the need of more office space to provide for our continually increasing business your Directors during the year acquired by purchase twenty feet of property immediately west of our present office and had plans prepared covering a new building to include both of these properties. On account of the excessive building costs it has been decided to take no action with respect to building operations until the spring of 1921.

Our business has again shown a very substantial increase, closing the year with total assets of $3,292,848.28. The rapid fall in commodity prices has delayed marketing by our farmers, but in spite of this we are happy to state that our collections of interest are in a highly satisfactory condition. The Company's income tax, payable to the Dominion Government, shows an increase of more than $3,000 over the year 1919, but while this is disappointing it is perhaps our shareholders' inevitable legacy from the Great War.

All of which is respectfully submitted.

WILLIAM FLAVELLE, President.

BALANCE SHEET FOR THE YEAR ENDING DEC. 31st, 1920.

ASSETS—		
Office Premises		$ [illegible]
Real Estate held for sale		82,314.21
Mortgages—		
Principal	$1,979,203.07	
Interest	81,800.27	
		2,061,003.34
Loans on Company's own stock and on bonds		47,043.00
Bond Securities—		
Dominion of Canada (Victory Bonds)		[illegible]
Canadian Municipalities, School Districts and Rural Telephones		610,171.17
Other Bonds		50,612.42
Bank Stock		7,770.00
Cash on hand and in banks		130,795.90
		$3,292,848.28
LIABILITIES—		
To the Public:—		
Debentures	$1,169,000.80	
Deposits	1,094,784.42	
Other Liabilities	2,381.50	
		$2,266,[illegible]
To the Shareholders:—		
Capital fully paid up	$ 640,000.00	
Reserve Fund	362,000.00	
Unclaimed Dividends	122.00	
Dividends declared and unpaid	15,368.05	
Profit and Loss Account	9,241.51	
		$1,026,[illegible]
		$3,[illegible]

PROFIT AND LOSS STATEMENT FOR YEAR ENDING DEC. 31, 1920.

Balance brought forward from 1919	$ 9,465.52	
Net profits for year after deducting cost of management and all other expenses	77,582.49	
Premium on Capital Stock	16,000.00	
		$ 103,048.01
APPROPRIATED AS FOLLOWS:—		
Quarterly Dividends Nos. 71, 72, 73 and 74	$ 51,806.50	
Transferred to Reserve Fund	42,000.00	
Balance carried forward	9,241.51	
		$ 103,048.01
RESERVE FUND—		
Balance at credit December 31st, 1919	$320,000.00	
Transferred from Profit and Loss Account and Premium as shown above	42,000.00	
		$ 362,000.00

AUDITORS' CERTIFICATE.

We have examined and hereby certify as correct the accounts of The Victoria Loan and Savings Company for the year ending December 31st, 1920. We have examined the securities held by the Company and found them to be in order. We certify that the foregoing Profit and Loss Account and Balance Sheet are accurate statements of the affairs of the Company.

RUTHERFORD WILLIAMSON, C.A. }
JOHN D. WALLACE, } Auditors.

Lindsay, Ontario, January 11th, 1921.

In moving the adoption of the report the President referred to the Company's growth in every department—gains the more notable because of the world-wide conditions adversely affecting business. The Vice-President, Mr. R. J. McLaughlin, K.C., seconding the adoption of the report, reviewed the company's progress during the past 11 years—a development which gave evidence the "summum bonum" of all well-managed companies would soon be reached, and the Capital Stock be equalled by the reserve.

The Board of Directors was re-elected as follows: W. Flavelle, President; W. H. Clarke, M.D., R. J. McLaughlin, K.C., Vice-Presidents; W. H. Stevens, B.A., Inspector of Public Schools; H. J. Lytle, ex-Manager, Bank of Montreal; J. B. Begg, Esq.; T. H. Stinson, Esq.; Wesley Waldon, Esq.; C. E. Weeks, Esq. Manager, C. E. Weeks; Assistant Manager, Newton Smale.

UNLISTED BONDS

Amer. Sales Book, 6s	89¼	..
P. Burns, 1st Mort., 6s	90	99
Can. Machinery, 6s	..	80
Collingwood Ship, 6s	89	..
Dunlop Tire, bonds, 6s	90	97½
Eastern Car, 6s	83	90
Harris Abattoir, 6s	89	95
Wm. Davies, 6s	90	98½
N.S. Steel, debs., 6s	73	80½
Mex. Nor. Power, 5s	9¼	12½
John Morrow Screw, 6s	84	88
Ontario Pulp, 6s	93	96½
Toronto Power, 1924, 5s	84	90
King Edward Hotel, 7s	73½	78
St. Lawrence Sug., 6s	..	91½

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which has been issued every Friday since 1903.

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Royal Bank Bldg. Toronto

The Muskoka Lakes Navigation and Hotel Co. Ltd.

(Royal Muskoka Hotel)

DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of Six (6%) per cent. has been declared on the Capital Stock of this Company for the year ending 31st December, 1920, payable 15th February, 1921, to Shareholders of Record at the close of business 31st January, 1921.

By Order of the Board.
W. F. WASLEY,
Manager and Treasurer.
Gravenhurst, 22nd January, 1921.

Dividend No. 81

Hollinger Consolidated Gold Mines Limited

No Personal Liability.

A DIVIDEND of 1% upon the paid up Capital Stock of the Company has been declared payable on the 25th of February, 1921, on which date cheques will be mailed to shareholders of record at the close of business on the 10th of February, 1921.

Dated the 3rd day of February, 1921.
D. A. DUNLAP,
Treasurer.

The Riordon Pulp & Paper Company, Limited

COMMON STOCK DIVIDEND NO. 20.

NOTICE is hereby given that a quarterly dividend of 2½% has been declared on the Common Stock of the Company for the quarter ending December 31st, 1920, payable February 15th, 1921, to shareholders of record at the close of business on February 9th, 1921.

By Order of the Board.
F. B. WHITTET,
Secretary-Treasurer.
Montreal, February 2nd, 1921.

Bank of Hamilton

Quarterly Dividend Notice

A DIVIDEND of Three Per Cent. (3%) for the Quarter, together with a BONUS of One-Half of One Per Cent. (½%) on the Paid-Up Capital for the three months ending 28th February, 1921, has been declared and will be payable on the 1st March, 1921. This makes a total distribution of Thirteen Per Cent. (13%) for the financial year. The dividend and bonus on New Stock will be computed at the same rates, but in accordance with the terms of issue, and both will be payable to shareholders of record at close of business February 15th, 1921.

By order of the Board,
J. P. BELL,
General Manager.

NEW RECORD IS ESTABLISHED BY MUTUAL LIFE CO.

Insurance in Force Moves Above $200,000,000 Mark During 1920

MORTALITY DOWN

Gain in Insurance 76 P.C. New Business—Dividends to Policyholders Increased—Banner Year in Co.'s History

A record of notable expansion is revealed by the annual report of the Mutual Life Assurance Company, dealing with the company's operations during 1920. In common with all Canadian life companies, this company experienced an hitherto unprecedented demand for life insurance, with the result that all former records have been surpassed by substantial margins. The achievement is the more remarkable, in view of the fact that the previous year's record was up till then by far the best in the company's history.

The company in its fifty-first year of operation has passed the $200,000,000 mark, and now carries insurance to the extent of $206,627,728, which is a large increase over the total at the end of the previous year of $170,706,305. Again new assurance placed with the company during the year reached a total of $47,008,024 against $40,625,656 for the previous year. The gain in insurance in force of $35,921,423 is approximately 76 per cent. of the amount of new insurance written and compares with 80 per cent. for the previous year. The record for the year is an enviable one, and testifies the high regard entertained for this long-established company in the public mind. The Mutual Life holds a unique position in that it is the only example of a company which has been established in Canada on a strictly co-operative basis. All policyholders share equitably in its prosperity, and the experience of the company during 1920 was so favorable that the directors have felt justified in increasing the dividends for 1921 by 50 per cent. over those paid in 1920.

Decline in Death Claims

Net premium income for the year amounted to $7,685,792, compared with $6,256,817. Income from interest, rents, etc., shows an improvement also, from $2,105,072 to $2,243,186. An interesting feature of the report is the decline in death and disability claims from $1,517,411 for 1919 to $1,215,136 last year. These figures compare with $1,851,930 for 1918, and indicate the improvement in the mortality rate during the past year. The net ledger assets of $40,538,293 compare with $36,152,382 at the close of the previous period.

The report shows assets amounting to $42,847,277 against $38,020,949. The company during the year has earned interest on its investments at the rate of 6.41 per cent. Its assets include the following items: Mortgages, $14,934,368; debentures and bonds, $19,394,571; loans on policies, $5,335,268; real estate, $1,059,987, and accrued interest, $1,117,733. Bonds and debentures have proven the most popular investment features during the past year as the gain in this item amounts to $2,648,639.

The reserve account has been further strengthened and now stands at $35,160,546, as against $31,139,562 for 1919 or a gain of $4,020,984.

BARCELONA TRACTION

The December earnings statement of the Barcelona Traction, Light and Power Company shows gross amounting to 3,147,789 pesetas as compared with 2,134,986 pesetas for the same month in 1919, an increase of 1,012,803 pesetas. Operating expenses amounting to 1,105,145 pesetas left net at 2,042,640 pesetas which compared with 1,221,536 in 1919, an increase of 821,104 pesetas.

The aggregate gross earnings from March 1, to the end of December were 27,655,193 pesetas, an increase of 7,021,144, while the aggregate net at 18,117,501 pesetas, showed an increase of 6,308,588 pesetas. The figures following show the earnings month by month for the ten months:

1920.	Gross (peset.)	Net. (peset.)	Net. inc. (peset.)
March	2,533,815	1,695,141	754,489
April	2,676,592	1,767,913	782,874
May	2,647,592	1,767,311	628,785
June	2,623,998	1,618,187	488,939
July	2,542,202	1,570,414	451,773
August	2,715,020	1,716,904	463,834
Sept.	2,810,418	1,945,823	793,844
Oct.	2,795,106	1,831,392	520,795
Nov.	3,163,105	2,116,776	602,151
Dec.	3,147,789	2,042,640	821,104

PENMAN'S LIMITED

The directors of Penman's, Limited, have declared a bonus of 2 per cent. on the common stock of this company, payable February 28, to shareholders of February 16. A similar disbursement was made in February of last year, and two bonuses of 1 per cent. in 1918, and one of 1 per cent. in 1917. The common stock is on an 8 per cent. basis.

OTTAWA TRACTION

Receipts for Year Showed Gratifying Increase

That the established record of the Ottawa Electric Railway Company was fully maintained during the year and that receipts again showed a steady and gratifying increase, is stated in the very formal report of the Ottawa Traction Company for 1920.

The amount received from the Ottawa Electric Railway Company during the year was $279,060, with which was paid the usual quarterly dividends of 1 per cent. and a bonus of 1 per cent. The amount received and distributed in 1919 was $278,958.

NO CUT LIKELY IN STEAMERS DIVIDEND

A Good Year Reported and Future for 1921 Assured, Says Director

Information as to the future of Canada Steamships has been furnished by one of the directorate. In the opinion of this gentleman there is not the least likelihood that any reduction of the dividend rate will be announced at the coming annual meeting. While ocean freight rates have fallen off considerably, due to competition, lack of cargoes and excess ship tonnage, the freight traffic on the Great Lakes was a normal and steady business and would doubtless continue so for many years and be able to compete advantageously with rail haul. The company's investment and interest in ocean transport was at this time quite small.

During recent years the company has replaced older ships with new and more economical vessels and consequently he felt assured of a profitable business for the next few years.

STANDARD OIL TO CUT WAGES 10 P.C.

Employees of Imperial Oil, the Canadian Subsidiary, Not Affected

In accordance with an understanding entered between the employees of the Standard Oil Company and the company that the latest stock bonus would be removed as soon as the reduction in the cost of living warranted such action, the announcement is made from New York that the company will reduce the wages of the employees of the company in all parts of the United States by 10 per cent. During the period in which the cost of living was soaring this company introduced a number of wage increases in order to offset any disadvantage to the worker arising out of the higher cost of living. These increases numbered eight in all during the war and since, and there were in addition two bonuses of 10 per cent. each, one of which is being withdrawn.

Inquiry at the head office of the Imperial Oil, Limited, in Toronto, a subsidiary company of Standard Oil, whether this order would apply to the employees of the Canadian company, revealed the face that wages here would not be cut for some time yet. In this country, it was pointed out, the reduction in the cost of living had not been of such broad proportions as on the other side, and the worker was therefore in a less favorable position to stand a reduction. It is probable, however, that the company will give serious consideration to the question of a wage adjustment in the near future.

MUSKOKA NAVIGATION

The Muskoka Lakes Navigation and Hotel Co., Ltd., which operates the Royal Muskoka Hotel and a fleet of steamers on the Muskoka Lakes, has issued a very favorable financial report dealing with the company's operations during 1920. According to the statement net earnings of this company were shown to be approximately 35 per cent. of the paid-up capital, largely due to the increased earnings of the Royal Muskoka Hotel. A dividend of 6 per cent. was declared. This report indicates in some measure the increasing popularity of the Muskoka district for recreation purposes.

WAYAGAMACK PULP

The annual report of the Wayagamack Pulp and Paper Co., Ltd., which was dealt with at the annual meeting of shareholders at Three Rivers, Quebec, this week, was adopted without discussion. The proceedings of the meeting were purely of a formal character. The board of directors and officers were reelected without change.

RIORDON PREFERRED

A feature of the unlisted section of the Montreal Stock Exchange during the month has been the strength of Riordon Company, Limited, 8% First Preferred Shares. Investment buying has carried current quotations from 70-71 to 81-82. Prices have firmed at the latter figure where the stock yields about 10%. The improved demand is a recognition of the investment value of a security which at the lower levels touched in December's decline was selling obviously out of line.

REVALUATION OF ASSETS TRUSTS AND GUARANTEE

Surplus Funds Used to Strengthen Position of Company

INCREASING BUSINESS

General Manager Says Shareholders Can Look Forward to Future With Every Confidence

Net profits of the Trusts & Guarantee Company, Limited, which totalled $111,975, were slightly larger than those for 1919, which amounted to $110,175. After the deduction of a dividend at the rate of 6 per cent., amounting to $84,488, the balance carried forward to profit and loss account amounted to $259,581.

Following are comparative figures for the past three years:

	1920.	1919.	1918.
Profits	$ 111,975	$110,175	$107,543
Bal. forward	*232,095	465,244	441,142
	$344,070	$575,419	$548,685
Dividends	84,488	83,856	83,441
Balance	259,582	491,563	465,244
	$344,070	$575,419	$548,685

*Less amount written off on realization and revaluation of securities.

The discrepancy between the surplus of $491,563 carried forward last year and the $232,095 brought forward is explained in the following statement by President J. J. Warren:

> "During the year, the assets of the company have been subject to reappraisal at the hands of competent valuators. Certain assets which for some time have been non-productive were disposed of at some sacrifice to place them on a definite revenue-producing basis."

The estates, trusts and agencies under the care of this company increased during the year by approximately $2,350,000 from $14,046,958 to $16,383,751, and guaranteed trust funds increased from $5,363,413 to $5,422,655. Mortgages on real estate now amount to $3,302,071, compared with $2,194,030 last year.

Total assets under the administration of the company increased during the year by approximately $1,500,000, and now total $23,542,212. The amount written off on realization and revaluation of securities was $259,468.

Following are figures from various accounts in the balance sheet:

	Capital Account	Guar. Trust Account	Est.&Agcy Account
1920	*$1,735,805	$5,422,655	$16,383,757
1919	2,722,047	5,363,413	14,046,958
1918	2,507,584	5,182,061	12,783,554
1917	2,484,080	5,214,292	9,083,895
1916	2,460,006	4,601,525	8,342,816

*Paid-up capital included instead of subscribed capital.

According to the president's statement, the past year has been one of continued and substantial growth. Despite higher operating costs, the increased volume of business resulted in higher net earnings. In referring to the increase in the estates, trusts and agencies under administration, General Manager E. B. Stockdale states in his report that he thinks the company can look forward with every confidence to a steadily increasing volume of this class of business in the future.

The shareholders ratified the proposal of the board to issue $1,000,000 par value of new stock.

ONTARIO LOAN COMPANY

In connection with the review of the annual statement of the Ontario Loan and Debenture Company in last week's issue the reference to the increase in deposits should have read $1,037,785 compared with $900,872 in the previous year, instead of $825,413, which was for the 1918 period. Sterling debentures were lower by about $250,000 and currency debentures higher by nearly $200,000. Total liabilities to the public increased from $3,606,798 to $3,642,094.

RAILROAD EARNINGS

For the ten-day period ending with January 31, gross earnings of the Canadian Pacific Railway Company totalled $4,433,000 as compared with $4,330,000 for the corresponding period in 1920, an increase of $103,000 or 2.3 per cent.

The Canadian National reports earnings of $2,802,112 as compared with $2,161,491, an increase of $640,621 or 29.6 per cent.

Earnings of the Grand Trunk Railway totalled $2,923,098, an increase of $605,258 or 26.1 per cent.

DIVIDEND PAYMENTS

Company.	Date.	Rate.	Record
Hollinger	Feb. 25	1	Feb. 10
Penmans, com.	Feb. 28	*2	Feb. 16
Crow's Nest Coal	Mar. 1	1½	Feb. 12
Detroit Rly.	Mar. 1	2	Feb. 12
Bk. Hochelaga	Mar. 1	2½	Feb. 15
B. C. Fishing	Feb. 21	1½	Feb. 10
Bk. Toronto	Mar. 1	3	Feb. 9
Bk. Montreal	Mar. 1	3	Jan. 31
Home Bank	Mar. 1	1¾	Feb. 14
Bk. Commerce	Mar. 1	3	Feb. 13
Bk. Hamilton	Mar. 1	3½	Feb. 15

*Bonus.

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Make your Will. Appoint this Company your executor. Then your property will be distributed in the way you would have it, and the problems of its management will be dealt with by an organization equipped to solve them.

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SIXTY-FIVE YEARS

is a long time in the history of this young Canada of ours, yet during all that period we have been safeguarding and assisting in the increasing of the savings of many thousands of Canadians. The steady progress the Corporation has made bears testimony not only to the confidence investors have in this old institution, but also to the unexcelled facilities we extend to depositors.

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per cent. per annum, paid and compounded half-yearly.

The Corporation makes a special feature of Savings Accounts and welcomes the small depositor.

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CYRUS A. BIRGE
VICE-PRESIDENTS
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A. E. DYMENT, Toronto
J. J. GREENE
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SIR JOHN S. HENDRIE, K.C.M.G.
J. F. KAVANAGH
COL. JOHN I. McLAREN
LT.-COL. W. H. MERRITT, St. Catharines
MAJ.-GEN. THE HON. S. C. MEWBURN
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W. A. WOOD
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S. C. MACDONALD

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BRUCE L. SMITH, Manager.

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CHAIRMAN
The Right Hon. R. McKENNA
JOINT MANAGING DIRECTORS:
S. B. MURRAY, Esq., F. HYDE, Esq., E. W. WOOLLEY, Esq.

Subscribed Capital	£38,096,363
Paid-up Capital	10,840,112
Reserve Fund	10,840,112
Deposits (June 30th, 1920)	367,667,322

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WATERLOO LOAN'S DEPOSITS ARE FAR ABOVE CAPITAL

Manager Wilson States His Views on New Legislation

REGARDING SECURITY

Argues That it is a Question of Percentages — Thinks Young Companies Should be Allowed to Develop

A further increase in savings deposits of more than $200,000 to a total of $1,127,700 in addition to $643,225 of debentures outstanding and loans of $229,195 gives more than usual interest to the annual statement of the Waterloo County Loan and Savings Company in view of the proposed legislative changes as regards the powers of mortgage companies in taking deposits. Liabilities to the public total over $2,000,000 as compared with paid-up capital of $638,764 and reserve of $120,000.

In connection with the company's year, its position and the controversy on the question of enlarging powers in accepting deposits, P. V. Wilson, the manager, writes:

> The increase in business as regards deposits and debentures was accomplished in the face of a constantly growing demand for government and municipal bonds on the part of numerous private investors. Our particular business is drawn from a very large number of clients, several thousand of them, whose deposit and debenture accounts are for moderate amounts. On these we have been paying 4 per cent. and 5 per cent. respectively.
>
> Last year we increased our mortgages by about $300,000 but show very little increase in our bond holdings. While we still have a few properties in real estate held for sale, our mortgage loans on the whole are in a very good condition.
>
> With respect to the proposed amendment to the Ontario Loan Corporations' Act to grant increased borrowing powers by way of deposits to loan companies, this whole question has been given careful consideration by a number of companies and financial men in general, and there does not appear to have been any reasonable argument advanced against it. The only objection which has been raised is based on the fact that the confidence of the British investors in Ontario loan company debentures would be impaired as a result of the change. On the other hand, other companies possessing an old country connection, deny such a statement and further point out that any of the companies not desiring to avail themselves of increased powers could readily govern their actions through their own special by-laws.
>
> As far as security to the public is concerned, the present act recognizing capital as the basis for borrowing powers does not necessarily provide any protection. Capital in itself does not provide security unless such funds are securely invested. A much more reasonable basis is that of providing for certain percentages of reserves, and special investments in relation to deposits as a basis for borrowing powers. It is felt that loan companies possess a natural right, in view of changing conditions, to have increased borrowing powers. The natural evolution of business has made this desirable. There was a time some years ago when the deposits of the commercial banks in the country did not exceed their capital and reserve. Now, in the aggregate, they exceed over ten times the capital and reserve. While the loan companies do not ask such wide open powers, they nevertheless feel that proper scope must be granted in order that they can function properly and provide the necessary service in their line of business to their respective communities. There is no doubt that conditions have changed within the last few years and while possibly the old relation of things will be restored to quite an extent, new problems have arisen which require attention in accordance with prevailing conditions. While two or three of the older companies with large amounts of capital and reserve, built up through years when money was available at very low rates, may feel quite snug in their present position and express themselves as undesirous of change, it hardly seems fair that other companies should be restrained in their natural functioning in order to comply with the wishes of the minority. In considering capital in relation to borrowing powers, there is also the side of the shareholders to consider. In these days with the favorable yields on bonds and other high-class investments, it is not the easiest proposition to place large amounts of capital without giving assurances of dividends somewhat in proportion with the prevailing rates. With borrowing powers confined to once the capital and reserve, as in the present, it is more difficult to pay a good dividend and at the same time build up the company's reserve, which is very desirable for any institution.

Increased Earnings

The company showed a very satisfactory increase in net earnings as the result of enlarged operations with an increase of about $300,000 in mortgage loans as indicated from the following comparative summary:

Profit and Loss

	1920.	1919.	1918.
Earnings	$178,115	$144,033	$102,846
Interest—			
On deposits	$51,181	$40,122	$24.737
On deben	28,377	23,873	16,708
On loans	11,159	3,520	2,595
Com. on loans	1,698	1,459	1,463
Expenses	28,706	23,945	16,285
Written off		1,465	596
	$121,121	$94,384	$62,384
Net earnings	$56,994	$49,649	$40,462
Prem. on stock	1,853	8,864	4,367
Bal. forward	2,256	1,532	1,225
	$61,003	$60,045	$46,054
Dividends	37,507	32,988	26,022
Reserves	15,000	21,800	15,000
Contingent	6,000	3,000	3,500
Balance	2,496	2,256	1,532
	$61,003	$60,045	$46,054

Following are features of the company's earnings record for the past six years:

Year.	Paid-up Capital	Profits	% Div.	Av. Cap.	*Earn Rate
1920	$638,764	$56,994	6	9.1	7.7
1919	604,331	49,649	6	9.2	7.9
1918	481,802	40.462	6	9.3	8.0
1917	415,366	34,355	6	8.5	7.4
1916	383,779	31,762	6	8.8	7.7
1915	332,876	25,323	6	7.8	7.0

---

*Average capital, reserves and profit and loss at beginning of year.

CAPITAL TRUST ON A DIVIDEND BASIS

Distribution Started at Four Per Cent. — Satisfactory Growth Reported

A year of satisfactory growth and development is indicated in the annual report of the Capital Trust Corporation for 1920. As pointed out by President M. J. O'Brien, the paid-up capital passed the half million dollar mark, reaching $546,000, while the "value of estates and agencies under administration has more than doubled and now amounts to $2,719,000." Savings amount to $779,000. The following figures indicate how the corporation is expanding:

	Capital Account.	Guar. & Agency	Trusts Estates, etc.
1920	$440,906	$340,159	$2,115,889
1919	439,517	285,988	1,912,806
1918	244,256	263,498	1,413,851
1917	234,085	295,700	1,125,637
1916	227,932	232,773	1,043,973

Profits of $27,256 compared with $26,375 for 1919 and $19,355 in 1918. The directors felt justified under the circumstances in declaring a dividend of 4 per cent. and this will be paid on March 1. The dividend took $19,528 and $10,000 was added to reserve, reducing the balance from $56,802 to $54,530.

SECURITY LOAN

Substantial Increase in Deposits Reported in 1920

Profits of the Security Loan and Savings Company, St. Catharines, for 1920 amounted to $43,591 compared with $47,357 in 1919 and $47,021 in 1918. Dividends took $31,938 and after adding $15,000 to reserve there was a balance of $2,390 compared with $5,737 brought forward. Following are comparative figures:

	1920.	1919.	1918.
Profit	$43,591	$47,357	$47,021
Bal. forward	5,737	5,075	4,506
	$49,328	$52,432	$51,527
Dividends	31,938	31,695	31,452
Reserve	15,000	15,000	15,000
Balance	2,390	5,737	5,075
	$49,328	$52,432	$51,527

Features of the company's earnings records for the past six years follow:

Year.	Paid-up Capital	Profits	% Div.	Pfts. Cap.	Earn Rate
1920	$532,300	$43,591	½	8.1	6.3
1919	528,250	47,357	6	8.9	7.0
1918	524,200	47,021	6	8.9	7.2
1917	523,233	44,386	6	8.4	7.0
1916	508,679	46,622	6	9.1	7.7
1915	500,000	41,279	5½	8.2	7.0

A feature of the balance sheet was the increase in deposits from $345,714 to $421,326, while debentures decreased from $101,264 to $84,465.

GUARANTY TRUST

High Record of Profits for Year 1920

With net profits of $22,667, the Canadian Guaranty Trust Company, Brandon, experienced a very satisfactory year in 1920, the figure referred to comparing with $17,761 for 1919 and $14,897 for 1918. Dividends took $15,525, $5,000 was added to reserve and $2,000 set aside for a contingent fund, the balance carried forward being $5,753 as compared with $5,611 brought forward. Following are comparative figures:

	1920.	1919.	1918.
Net profits	$22,667	$17,761	$14,897
Bal. forward	5,611	5,129	5,099
	$28,278	$22,890	$19,996
Dividends	15,525	12,279	9,867
Reserve	5,000	5,000	5,000
Contingent	2,000	.....	.....
Balance	5,753	5,611	5,129
	$28,278	$22,890	$19,996

The following totals from various accounts on the balance sheet indicate the continued growth of the company.

	Capital Account.	Guar. Invest. Account.	Estates Trusts, etc.
1920	$610,879	$779,351	$2,719,350
1919	545,073	605,302	1,135,746
1918	450,777	448,335	1,060,680
1917	385,934	345,698	846,305
1916	334,496	249,172	707,046
1915	296,670	146,541	482,560
1914	241,336	69,076	233,503

REAL ESTATE LOAN INCREASED LOANS

Profits Also Higher Although Funds on Sterling Debentures Were Smaller

With some decrease in funds available for loans as the result of payment of sterling debentures, net profits of the Real Estate Loan Company of Canada for 1920 were still substantially larger than for the previous year, being $40,061 compared with $36,217. The results indicate an improvement in the mortgage situation from the standpoint of profitable loans while at the same time collections were satisfactory. Dividends took $35,000 and the balance was carried forward. The reserve fund already totals $260,000, or more than half the paid-up capital of $500,000. Following are comparative figures for three years:

	1920.	1919.	1918.
Net profits	$40,061	$36,217	$39,881
*Bal. forward	251	5,234	1,554
	$40,312	$41,451	$41,435
Dividends	35,000	35,000	35,000
Reserve	.....	5,000	.....
Balance	5,312	1,451	6,435
	$40,312	$41,451	$41,435

---

*Less vote to president and vice-president.

Following are features of the company's earnings record for the past seven years:

Year.	Paid-up Capital	Profits	% Div.	Pfts. Cap.	Earn Rate
1920	$500,000	$40,061	7	8.0	5.2
1919	500,000	36,217	7	7.2	4.7
1918	500,000	39,881	7	7.9	5.2
1917	500,000	53,579	7	10.7	7.2
1916	500,000	55,169	7	11.0	7.7
1915	500,000	56,695	7	11.3	8.1
1914	500,000	57,621	7	11.5	8.5

As the result of a contraction in sterling debentures, from $587,050 to $558,206, liabilities to the public and total assets were somewhat reduced. However, mortgage loans at $1,131,102 showed an increase which was made possible largely by the reduction of real estate held for sale from $105,213 to $44,678.

HAMILTON PROVIDENT

Substantial Increase in Profits Shown for 1920

Net profits of $181,231 for the Hamilton Provident and Loan Corporation for 1920 showed a substantial increase compared with $170,660 for 1919 and $169,064 for 1918. Dividends took $108,000 and taxes $19,337 after which $50,000 was added to reserve and the balance of $3,894 carried to the contingent account. Following are comparative figures:

	1920.	1919.	1918.
Profits	$181,231	$170,660	$169,064
From reserve	.....	.....	5,135
	$181,231	$170,660	$174,217
Dividends	108,000	108,000	96,000
Taxes	19,337	10,930	8,217
Reserve	50,000	50,000	70 000
Contingent	3,894	1,730	.....
	$181,231	$170,660	$174,217

Features of the company's earnings record for the past seven years follow:

Year.	Paid-up Capital	Profits	% Div.	Pfts. Cap.	Earn Rate
1920	$1,200,000	$181,231	9	15.1	7.4
1919	1,200,000	170,660	9	14.2	7.1
1918	1,200,000	174,217	8	14.5	7.4
1917	1,200,000	177,267	8	14.7	7.8
1916	1,200,000	179,655	8	14.9	8.2
1915	1,200,000	167,641	8	13.9	7.9
1914	1,200,000	163,770	8	13.5	7.8

The reserve fund now amounts to $1,300,000 in addition to a contingent fund of $15,587 as compared with $1,000,000 of paid-up capital and $200,000 partly paid. Assets total $4,800,104, of which $2,230,517 represents liabilities to the public. Deposits show an increase but there was some decrease in both sterling and currency debentures. Repayments of loans were satisfactory, and according to President George Hope the corporation's funds were kept fully employed.

MONTREAL COTTONS

Seeking Reduced Tax Rate for 12 Years From Valleyfield

MONTREAL. — A bill has been brought before the Legislature at Quebec to ratify a by-law passed by the City of Valleyfield, granting a commutation of taxes to the Montreal Cotton Company for a period of twelve years. The arrangement is that the company is to pay a fixed amount of $21,000 per year for all its mills, repairs shops, and power house, and in exchange for this the company is to supply the city free with 125 h.p. for lighting the streets of the city and municipal buildings, and as power for the use of the corporation. In support of the town's application it is stated that the company is the largest industry in the city and owns a number of dwelling houses for its workmen and pays a considerable amount of taxes on these houses. The company must sell the city electric current up to 1,000 h.p., at the rate of $25 per h.p.

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Figures issued by the British Chancellor of Exchequer indicate that Great Britain, since the armistice, has retired over £50,000 of 5% war loan maturing in 1929-47, at a saving of £5,000. The cancellation was by government purchases of the loan securities at various intervals during which they were quoted below issue price in the mar'

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URGES EXTENSION DEPOSIT LIMITS LOAN COMPANIES

Registrar of Loan Corporations Makes Recommendations to Government

SUGGESTS SAFEGUARDS

Imperative Need for Greater Supply of Mortgage Funds—Advocates Regular Inspection of Such Companies

The attention of the Ontario Government has been called to the desirability of extending the powers of loan companies in taking deposits along the lines suggested by a recent deputation of representatives of loan companies, in the annual report of the Registrar of Loan Corporations, V. Evan Gray, submitted to the Attorney-General this week. Mr. Gray outlines the increasing difficulty of such companies in securing adequate funds to supply the demand for mortgage purposes in this province. This is due largely, as already pointed out in these columns, to the fact that repayments of sterling debentures during the past two years have been substantial and the acquisition of new money from Great Britain and European countries practically nil.

The report proceeds as follows:

Monies received on deposit have been substantially increased; in the case of three of the smaller companies the limit of borrowing on deposits allowed by statute has already been reached and a number of other companies are nearing a similar embarrassment. The demand for mortgage loans is also increasing for urban dwellings and farm loan purposes. So much is this the case that it has become a matter of real concern to the public as well as to the companies that the supply of monies available for such loans should receive large increment.

Some agents for British investors in loan companies have for many years looked coldly upon the extension of the deposit business of Canadian loan companies for the reason that the Canadian depositor is believed to be in a preferred position because of his right to withdraw his deposits on short notice. Their influence has been sufficient to induce some companies which have access to the British money market not to exercise their right to take deposits.

Subject to the settlement of that disputed question in a manner that will maintain the confidence of the British investor the department believes that from the standpoint of public interest the only question which can be raised as to the desirability of extending the present limit of deposits is whether or not the deposit features of the loan company business are adequately safeguarded. It is apparent that the necessary safeguards are two:

First:—The investment of monies of the company in the best possible form of security.

Second:—The maintenance of a sufficient amount of cash and readily marketable or liquid securities to meet any sudden demand which may be made upon the company for withdrawal of deposit monies.

The department feels justified in recommending to you that if these two features are amply protected a reasonable extension of the limit of money which may be received on deposit by loan corporations might safely be allowed. If the deposit business of loan companies increases, a double advantage to the public will accrue, namely ,a greater supply of mortgage loan monies at a moderate cost, and a better rate of interest on savings deposits.

Approves Standard Form

Mr. Gray also refers to the standard form of annual statement which loan companies are now required to fill out, and states that the annual statements of such companies will now be on a basis which clearly reveals to those receiving them a fair view of the financial standing of the company. There can be no doubt, he adds, that the affairs of the two loan companies which recently went into liquidation could never have reached the stage at which they were finally wound up if the shareholders had been able to ascertain from the annual statements which they received the real position of the affairs of the companies.

A recommendation was also submitted that legislation should be enacted to provide for the regular inspection of the affairs of loan and trust companies of the province in a manner similar to the inspection which is now in effect in regard to the insurance companies which come within the authority of the department.

Regarding the deposit business of trust companies Mr. Gray points out that the present act has not made clear the intention to distinguish the borrowing of money by taking deposits, which is forbidden by the statute, from the receiving of moneys in trust, which right is given by statute, and a recommendation is submitted that the intention of the act should be made plain in this regard, and the legislature be asked to clarify this situation.

INTERNATIONAL LOAN

WINNIPEG.—The final meeting of the directors of the Interprovincial Loan Company for the fiscal year was held January 31st. The report of the treasurer showed that the paid-up capital had been increased to $423,424. Arrangements were made at this meeting for the transfer of the assets of the company, which is now operating under a provincial charter, to a new company which will operate under a federal charter.

The company operates solely in the province of Manitoba, collecting local funds for loans to farmers. Those present at the meeting were G. W. Argue, B. McKenzie, Robert Rettie, Charles Setter, J. E. Burns, R. J. Hunter, Andrew Wishart and H. F. M. Ross.

LONDON LOAN HAD INCREASED DEPOSITS

But There Was a Considerable Contraction in Debenture Funds

An increase of over $140,000 in deposits during the year is an interesting feature of the affairs of the London Loan & Savings Company indicated in the annual statement. However, there was at the same time a contraction of nearly $300,000 in outstanding debentures, so that liabilities to the public dropped from $1,781,269 to $1,637,374. Mortgage loans declined about $130,000 and the cash balance was considerably reduced, while investments in bonds increased about $87,000.

Profits amounted to $81,125 compared with $83,421 in 1919 and $84,320 in 1918. Dividends of 7 per cent. took $62,286 and $20,000 was added to reserve, the balance forward being $2,178 as compared with $3,339 brought forward. Following are comparative figures:

	1920.	1919.	1918.
Profits	$81,125	$83,421	$84,320
Bal. forward	3,339	2,385	1,925
	$84,464	$85,806	$86,245
Dividends	62,286	62,157	53,260
Bonus	.....	.....	10,200
Patriotic	.....	300	400
Reserve	20,000	20,000	20,000
Balance	2,178	3,339	2,385
	$84,464	$85,806	$86,245

Following are features of the company's earnings record for the past six years:

Year.	Paid-up Capital	Profits	% Div.	Pfts. Cap.	Earn Rate
1920....	$891,383	$81,125	7	9.2	6.3
1919....	888,321	83,421	7	9.4	6.6
1918....	887,849	84,320	6+1	9.5	6.9
1917....	887,398	36,129	6+1	4.1	2.9
1916....	884,283	81,325	6	9.2	6.7
1915....	882,889	118,417	6+¼	13.5	10.0

President Geo. G. McCormick directs attention to the fact that the company has no real estate on hand other than the office building.

DEBENTURES AND DEPOSITS LARGER

The Lambton Loan Increased Its Holdings of Public Funds

Net profits after defraying all expenses of management and other charges of $105,606 were reported at the 77th annual meeting of the shareholders of the Lambton Loan and Investment Company at Sarnia. This compared with $114,735 in 1919 and $102,751 in 1918. Dividends of 8 per cent. with a bonus of 2 per cent. took $78,975; $25,000 was added to the reserve fund and, after providing for $738 on premises and $800 on furniture, $93 was carried forward as contingent. Following are comparative figures of the profit and loss account for three years:

	1920	1919	1918
Profits	$105,606	$114,735	$102,751
Dividends	$ 78,975	$ 78,975	$ 78,975
Reserve	25,000	35,760	23,776
Premises	738	.....	.....
Furniture	800	.....	.....
Contingent	93	.....	.....
	$105,606	$114,735	$102,751

Following are features of the company's earnings record for the past six years;

Year	Paid-up Capital	Profits	% Div.	Pro. av. cap.	Earn. Rate
1920....	$789,750	$105,606	8+2	13.5	6.6
1919....	789,750	114,735	8+2	14.7	7.4
1918....	789,750	102,751	8+2	13.0	6.7
1917....	789,750	102,270	8	13.0	6.8
1916....	789,750	100,412	9	12.7	6.9
1915....	789,750	93,234	8	11.8	6.0

President Norman Gurd reported that the collections of interest during the year were satisfactory. The reserve fund now totals $825,000 as compared with paid-up capital of $789,750.

An interesting feature of the statement of assets and liabilities was an increase of about $67,000 in deposits and of $140,000 in debentures outstanding. That these increases have been made under the prevailing conditions indicates the confidence with which the company is regarded. There was an increase of $230,000 in mortgage loans.

EASTERN CANADA LOAN'S HIGH PROFITS

Net Earnings Highest in Company's History—Mortgage Situation Satisfactory

The fact that profits for 1920 were the largest in the history of the Eastern Canada Savings and Loan Company, by a substantial margin, is an indication of the successful operations of the concern last year. Profits amounted to $69,181 compared with $58,313 in 1919 and $50,131 for 1918. Attention should be called to the fact, however, that an increase in the paid-up capital was undoubtedly a factor in the larger earnings and the increased amount required for dividends had its effect upon the profit and loss account as indicated in the following comparative summary:

	1920.	1919.	1918.
Net profits	$69,181	$58,313	$50,131
Dividends	$44,967	$32,911	$29,952
Patriotic	.....	.....	500
Written off	1,091	871	1.043
Taxes	8,787	5,531	1,499
For repairs	.....	.....	3,137
Reserve	14,336	19,000	14,000
	$69,181	$58,313	$50,131

Following are features of the company's earnings record for the past six years:

Year.	Paid-up Capital	Profits	% Div.	Pfts. Cap.	Earn Rate
1920....	$562,090	$69,181	8	12.3	10.6
1919....	411,394	58,313	8	14.1	9.8
1918....	374,395	50,131	8	13.4	8.8
1917....	366,210	50,837	8	13.8	10.1
1916....	316,839	44,705	8	14.0	11.1
1915....	250,000	32,627	8	13.0	8.3

There was a considerable decrease in deposits and some contraction in debentures with the result that liabilities to the public were reduced from $1,322,949 to $1,155,870. However, total funds for mortgage loans were increased somewhat by reducing the cash and building accounts and calling up further payments on capital.

President S. M. Brookfield in his report calls attention to the fact that income taxes alone for the year amounted to $7,345 and lessened the net profit on average paid-up capital by 1 1-3 per cent. Loans on mortgages were satisfactorily met, the arrears being less in proportion to the amount out on mortgages than in any previous year. Real estate on hand of $8,747 was less than during the past seventeen years; ample provision has been made for any loss in this respect.

The Metropole building, which was purchased in 1910 with a view to increasing office accommodation, was disposed of during the year, having been found unsatisfactory. The proceeds were carried direct to the reserve fund, making a total of $292,000, or 53 per cent. of the average paid-up capital for the year.

NORTHERN MORTGAGE

Substantial Improvement in Profits for the Year

With profits of $133,883 compared with $121,781 for 1919 and $114,860 in 1918 the Northern Mortgage Company submitted a very satisfactory report for 1920 to the annual meeting of the shareholders at Winnipeg. The balance brought forward amounted to $199,351 after deducting income taxes and of the total of $333,234 available for distribution $96,061 was paid in dividends and the balance of $237,173 carried forward. Following are comparative figures:

	1920.	1919.	1918.
Profits	$133,883	$121,781	$114,860
*Bal. forward	199,351	173,471	154,961
	$333,234	$295,252	$269,821
Dividends	96,061	94,797	93,088
Balance	237,173	200,455	176,733
	$333,234	$295,252	$269,821

*Less income tax.

Following are features of the company's earnings record for the past seven years:

Year.	Paid-up Capital	Profits	% Div.	Pfts. Cap.	Earn Rate
1920....	$1,921,224	$133,883	5	6.9	6.3
1919....	1,895,945	121,781	5	6.4	6.0
1918....	1,861,754	114,860	5	6.1	5.8
1917....	1,831,850	103,903	5	5.6	5.4
1916....	1,770,332	113,057	5	6.9	6.3
1915....	1,671,349	113,359	5	6.7	6.6
1914....	1,617,392	109,419	5	7.5	7.1

In addition to the surplus of $237,172 there are two reserve funds, one of $40,000 to provide against possible loss on investments and another of about $29,000 representing profit on properties sold but carried as reserve until deferred payments are actually made. Several foreclosed properties were sold during the year at a profit of $15,692 over their book value, this amount being carried to the deferred profit on properties account. Properties acquired during the year were conservatively written down. The dividend rate is being increased to 6 per cent.

A 20 per cent. drop in the cost of building construction in New York in the last six months was indicated in bids of 13 contractors for subway repair work.

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A. KELLY *President*
J. E. MACFARLANE *Gen. Mgr.*
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Mills at
Goderich Brandon
Winnipeg Edmonton
Calgary Victoria
Daily Capacity—Flour, 10,000 barrels Rolled Oats, 1,000 barrels
MANUFACTURERS OF
PURITY FLOUR PURITY OATS

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NEW YORK EQUITABLE BLDG.

THE TRUSTS AND GUARANTEE COMPANY
LIMITED

24TH ANNUAL STATEMENT

BALANCE SHEET, DECEMBER 31st, 1920.

ASSETS.

Capital Account—			
Office Premises and Safety Deposit Vaults, Toronto, Calgary and Brantford			
The Trusts Buildings Limited Stock*	$ 239,398.27		
Office Furniture	25,000.00		
Real Estate—held for sale	137,563.68		
Loans on Stocks and Bonds	23,012.92		
Bonds and Debentures	646,739.15		
Stocks	269,785.85		
Cash in Chartered Banks	68,743.60		
Cash on Hand	19,066.27		
Other Assets	306,495.88		$1,735,805.12
Guaranteed Trust Account—			
Mortgages—			
Principal	$3,144,030.37		
Interest	158,041.54	$3,302,071.91	
Loans on Stocks, Bonds, etc.		169,744.37	
United Kingdom, Dominion of Canada, Provinces of Canada and Government of Newfoundland Bonds		517,874.88	
Canadian Municipalities, School District and Rural Telephone Debentures		642,585.37	
Other Bonds and Debentures		586,606.61	
Cash in Chartered Banks		178,750.46	
Other Assets—amount due from Dominion Government		25,022.28	5,422,655.88
Estates, Trusts and Agency Account—			
Funds and Investments			16,383,751.38
			$23,542,212.38

LIABILITIES.

Capital Account—		
Capital Stock Subscribed	$2,000,000.00	
Capital fully paid	1,147,500.00	
Capital partly paid	261,609.67	
		$1,409,109.67
Reserve re balance Dominion Income War Tax, etc.		24,855.23
Dividends declared and unpaid, due January 3rd, 1921		42,258.28
Profit and Loss		259,581.94
		$ 1,735,805.12
Guaranteed Trust Account—		
Trusts Funds for Investment	$4,501,035.97	
Trust Deposits	921,619.91	
		5,422,655.88
Estates, Trusts and Agency Account—		
Estates, Trusts and Agency Accounts		16,383,751.38
		$23,542,212.38

*The office premises are vested in the Trusts Building, Limited, all the stock of which is held by the Trust Company and were appraised in 1920 by the Canadian Appraisal Company, Limited, at $939,398.27. Certain of the lands are subject to a first mortgage of $100,000.00 and the holding Company has outstanding $350,000.00 first and $250,000.00 second mortgage bonds and shares of a par value of $250.000.00.

JAMES J. WARREN,
President.

E. B. STOCKDALE,
General Manager.

We have audited the books for the year ending 31st December, and verified the cash, bank balances and securities of the corporation. We have examined the statement, and it agrees with the books of the corporation. After due consideration we have formed an independent opinion as to the position of the corporation; and with our independent opinion so formed and according to the best of our information and the explanations given us, we certify that in our opinion the statement sets forth fairly and truly the state of the affairs of the corporation; and that all transactions of the corporation that have come within our notice have been within the powers of the corporation.

GEORGE EDWARDS, F.C.A.
H. PERCY EDWARDS, C.A. } Auditors.
of EDWARDS, MORGAN & COMPANY,
Chartered Accountants.

Toronto, 25th January, 1921.

AMERICAN CAPITAL FOR REGINA HOMES

Minneapolis Company Entering Housing Field in Western Canada

By Resident Representative.

REGINA.—According to present indications considerable building will be done in Regina this year. Following the suggestion of the board of trade that $500,000 be borrowed from the Federal Government to launch a housing scheme, a Minneapolis building company announces that it will commence work on the construction of 200 houses immediately the building season opens.

For the month of January building permits in the city amounted to $28,150, which is more than double the amount issued during the same month in 1920, when the total value of permits was $13,400.

To a great extent the amount of building depends on the question of labor. The builders' exchange will meet the trade unions in a short time and from present indications there will be a general cut in wages. This with the reduction in lumber prices will, it is believed, add great stimulus to building.

That there is a great need for houses in Regina is indicated by the applications of over 100 citizens interested in the board of trade's proposal. Under their tentative scheme it is proposed to ask the city council to appoint a commission of five to administer the building fund. It is proposed that as far as possible the houses be built by the commission on the property owned by the city and purchased from the municipality on the basis of 80 per cent. of the assessed valuation.

The scheme provides for houses being sold to people whose salaries do not exceed $3,000 a year and will not be larger than six rooms. The buildings will be sold at cost, with the purchaser putting up 15 per cent. and the balance to be met in monthly instalments to spread over a period of fifteen years with interest at 7 per cent.

NEWFOUNDLAND'S OIL

Anglo-Persian Company to Prospect in Island Colony

ST. JOHNS.—It is officially announced here that the Government has made an arrangement with the Anglo-Persian Oil Company, one of the world's largest oil corporations, by which this concern will undertake an exploration of the oil-bearing regions of Newfoundland during the next two years with a view to developing what, if any, properties here may be of commercial value. The agreement is, of course, subject to ratification by the legislature, but it is not apprehended that there will be any serious objection offered in Parliament to the contract, because it is universally recognized that if an organization with such a record and resources as this is prepared to undertake development work in our country

HOME INVESTMENT

Some Increase Shown in Profits for the Year

WINNIPEG.—A slight increase is shown in the cost profits of the Home Investment & Savings Association according to the twenty-eighth annual report. These stand at $106,411 after deducting interest on borrowed capital and expenses of management. This compares with $101,231 last year. Mortgage loans on improved real estate amount to $1,612,338, compared with $1,523,788. Total assets were higher, amounting to $2,442,286, against $2,300,714 a year ago. The balance carried forward to the credit of profit and loss at the end of 1920 was $90,121, compared with $74,997.

GRAIN IN STORE

Much Lower than for Similar Periods of Previous Years

The quantity of grain in store in the different public elevators throughout Canada for the week ending January 28 last has decreased by 2,199,282 bushels in wheat, barley and rye as compared with the previous week, according to statistics issued by the Dominion Bureau of Statistics. Decreases are shown of 2,071,894, 88,776 and 38,612 bushels respectively in the foregoing grains. Oats have increased by 1,418,978 bushels and flax by 92,811 bushels.

A comparison of grain in store for the week outlined above with corresponding weeks in previous years indicates that the figures for the latest period are considerably higher.

	Wheat	Other Grains.	Total Bushels.
Jan. 28, 1921..	40,675,958	31,022,198	71,698,156
Jan. 30, 1920..	13,434,157	9,512,758	22,946,915
Jan. 31, 1919..	43,926,102	11,058,975	54,985,077
Feb. 1, 1918..	17,753,819	11,758,540	29,512,359
Feb. 2, 1917..	31,700,718	24,606,315	56,307,033
Feb. 4, 1916..	32,947,785	16,541,877	49,489,662

ALLIES RESPONSIBLE

WASHINGTON.—Certain of the Allied governments had proposed to the United States that this country cancel the Allied loan indebtedness, Secretary of the Treasury Houston to-day told the Senate judiciary committee investigating foreign loans.

Houston said such a proposal was "unthinkable" and that all the requests had been refused. He declined to name the governments, saying he would discuss the question more fully in executive sessions of the foreign relations committee.

NO NEWS OFFERING RE MERGER PLANS

Steel Directors Silent at Close Of Meeting in Montreal

MONTREAL.—No statement was given out at the close of the meeting of the board of directors of the Dominion Steel Corporation here this week. "Matters have not yet reached a point where any definite statement affecting the affairs of the Dominion Steel Corporation can be made," President Wolvin stated.

It is understood that the chief business considered at the meeting was composed of details in connection with the amended plan to merge the two steel companies, the Dominion Steel and the Nova Scotia Steel Corporation, with the possible inclusion of the Halifax Shipbuilding enterprise and the Maritime Nail Company. President Wolvin declined to admit that the meeting had been devoted to merger plans, but intimated that some announcement in this respect might be made in the near future.

PLAN ELECTRIFICATION

C.P.R. Busy on B. C. Lines is Statement

Electrification of the C.P.R. British Columbia lines is discussed in the Westinghouse Magazine, which says:

The shortage of both fuel oil and coal in certain parts of Canada has brought the question of the electrification of railways to the front, and it is now reported that the Canadian Pacific Railway Company has taken steps to electrify its British Columbia lines.

The Bonnington Falls plant of the West Kootenay Power & Light Company will be used to operate the railway between Kootenay Lake and Similkameen, and it is possible that a transmission line may be run up the Arrow Lakes to the main line. The company has definitely decided to instal a hydro-electric plant at the Donald Canyon, on the Columbia River four miles below Donald.

REDEEMS BOND ISSUE

LETHBRIDGE.—The city has redeemed $33,000 of bonds due in 1922. The saving to Lethbridge from the investment of this sum in its own bonds amounts to about $1,850.

FORESTERS HALL

In calling the annual meeting of Canadian Foresters' Hall, Ltd., Toronto, Donald D. Wright, the secretary-treasurer, notifies the shareholders of a dividend of three per cent. on all fully paid-up stock of record of December 31 last.

CANADA CEMENT

The annual meeting of Canada Cement Company has been fixed for Feb. 28 at three o'clock at the Windsor Hotel, Montreal. The financial statement for the year 1920 is to be issued this week-end.

MONEY BANKING AND EXCHANGE

CANADA'S BANKS CLOSELY STUDY FOREIGN FIELDS

Significant Visit of Sir Edmund Walker to South America

DIFFERENT POLICIES

Course of Bank of Montreal Being Watched Closely in Comparison With Those Of Other Institutions

This week's announcement that Sir Edmund Walker and other executive officers of the Canadian Bank of Commerce will go to South America to "spy out the land" is significant of the further determination of Canadian bankers to carry Canada's commercial flag abroad. The feeling persists among observers of Canadian banking that 1921 extensions will be chiefly abroad for the reason that the domestic field is considered to be fully provided for for the immediate future.

"It is clearly now the critical hour and the commercial flag of Canada should be carried into every available market abroad," John Galt, president of the Union Bank of Canada, recently declared. This theme has been echoed at each of the bank "annuals" held since the commencement of the year. As Mr. Galt pointed out, "we must either go forward or go back and it cannot be thought that we are to recede into the position of a country that merely produces for home consumption when we have demonstrated that we have the means and capacity for world consumption in almost any avenue of trade."

The Canadian banking system has proven to have been at the same time conservative and progressive.

Foreign Trade Corporation

Canadian bankers will be stimulated to further progress abroad by the aggressive banking actions of the United States in the foreign banking field. The Foreign Trade Financing Corporation now being organized in New York by a group of bankers, business men and farmers has for its purpose the support and the expansion of the country's foreign trade. The formation of this corporation it is believed will give America powerful banking machinery for foreign trading.

Guy E. Bowerman, executive manager of the American Bankers' Association, gives it as his opinion that there is no more pressing problem confronting American business than that having to do with the outlet for its products. America's prosperity, he declared this week, depends so vitally upon the markets abroad "that we cannot afford to lose those markets, particularly when they are calling for our goods. But at the present there is a serious difficulty in the financing of our sales in the markets of the world; our commercial banks have extended their credits as far as prudence will allow and many of our foreign customers are not in a position to pay for the goods they require in the three or six months' period established under our present banking and business policy."

Difference in Policies

The problem that Mr. Bowerman emphasizes as the problem of American banking to-day is in a measure the problem confronting Canadian bankers. This has been urged by our most influential bankers, with Sir Vincent Meredith, Bart., advocating "a corporation to foster foreign trade so as to keep our factories busy and give employment to labor." The Bank of Montreal president's statement in this regard has been interpreted as indicating his sympathy with the idea of a banking enterprise similar in structure to the new Foreign Trade Financing Corporation which American bankers have produced.

Sir Vincent Meredith, however, belongs to the school of Canadian banking thought which inclines to the opinion that it were better not to establish abroad direct branches of Canadian chartered institutions, but, rather, to leave foreign banking fields to foreign banking correspondents. Sir Edmund Walker's trip to South America on the other hand lends color to the interpretation that he, like the Royal Bank of Canada officers, prefers an international chain of branches of his own institution. Now that the Canadian Bank of Commerce has penetrated Cuba and more recently the Barbados, it is natural to assume that the Commerce should wish to extend further to the Latin-American countries, as the Royal Bank of Canada, and to a lesser extent, as the Bank of Nova Scotia. Sir Edmund Walker's trip, therefore, will be watched by Canadian bankers with the utmost interest.

STERLING EXCHANGE AGAIN MOVES UP

Almost Approaches Year's Record—Continental Exchanges Firmer

The sharp recovery in sterling exchange to $3.88¼ was the outstanding feature of the exchange markets this week, this quotation being only slightly lower than the year's best at $3.89 reached on January 27 last. The continental exchange on the whole were stronger throughout the week, the improvement being attributed to heavy European buying.

Francs firmed up somewhat, the closing quotation at 13.96 comparing with 14.22 at the outset. New York funds were irregular, with the main tendency, however, toward firmness, the quotation advancing from 12½ to 13⅛ at the close. The fluctuations in sterling, New York funds, and francs are as follows:

NEW YORK FUNDS

Feb. 3—New York funds opened at 11⅞ to 12, funds advanced to 12½, closing around 12¼.

Feb. 4—Funds opened at 12¼ to 12⅜, sales at 12½, 12⅝, 12¾, 12 7-16, 12 9-16, 12⅝ and 12 7-16 at close.

Feb. 5—Opened at 12¾ bid, sale moved up to 13¼.

Feb. 7—Quotations 13¼ bid at opening, funds moved up to 13 9-16 in strong market, 13½ bid at close.

Feb. 8—Opening quotations 13½, sales at 13⅜, 12½, 12¾, 13 1-16, 12⅞ bid at close.

Feb. 9—Funds steady in a quick market, opened at 12 15-16, sales at 13, 13¼, 13⅛ at close.

Sterling and Francs

	Sterling		Francs	
	Demand	Cables	Demand	Cables
Feb. 3	$3.84⅛	$3.84⅞	14.22	14.20
Feb. 4	3.83	3.83¾	14.22	14.20
Feb. 5	3.82⅝	3.83⅜	14.24	14.22
Feb. 7	3.83½	3.84¼	14.25	14.23
Feb. 8	3.88¼	3.89	14.20	14.18
Feb. 9	3.87⅝	3.88⅜	13.96	13.94

ROYAL

Frank W. Simpson, who has been manager of the Bolton branch of the Royal Bank since it was established about a year ago, has been promoted to the management of a new branch of the bank that is being opened at St. Thomas, Ont. Mr. Simpson will be succeeded as manager at Bolton, temporarily, by H. L. Reinhardt of Toronto.

NOVA SCOTIA

W. S. Thomas, manager of Fredericton, N.B., branch of the Bank of Nova Scotia, is in Porto Rico on three months' leave of absence. While he is away, J. Powrie, of the head office staff, is acting manager.

W. J. Baxter, of Trenton, N.S., has been transferred to Chipman, N.B., as manager.

HOME

F. J. Byrnes, late manager of the Coboconk branch of the Home Bank, has been appointed manager of the Sandwich branch, and C. Brooke Marsland has been appointed manager at Coboconk.

L. A. Freitog has been appointed teller at Eganville.

G. I. Mann has been appointed accountant at Walkerville.

MERCHANTS

The Merchants Bank will be in their new building on the north side of King street, near Yonge street, Toronto, before April 1, according to present plans, and their old premises on West Wellington street will be vacated.

The Merchants Bank announces the following appointments: W. L. Andrews, accountant at Gull Lake, Sask.; E. T. Hacking, manager at Grande Prairie, Alta; A. E. Hornibrook, accountant-in-charge at Valparaiso, Sask.; D. L. Plumton, accountant-in-charge at Vanscoy, Sask.

The Merchants Bank announces the opening of the following new branches:

A branch at 1626 Government Street, Victoria, B.C., to take care of the increasing Chinese business, with D. R. Sargent as accountant in charge. A sub-agency has been inaugurated at Gwynne, Alta.

Weekly Bank Clearings

(In comparison with same week last year)

(Eastern Cities)

	Feb. 3, 1921.	Change.	%
Toronto	$103,116,490+	$ 959,556	.9
Montreal	123,865,980—	19,761,208	13.7
Ottawa	9,426,704—	1,599,871	14.5
Hamilton	6,417,170+	134,632	2.1
Quebec	5,856,748—	810,690	12.1
Halifax	3,597,759—	1,097,051	23.3
St. John	2,900,284—	533,485	15.5
Windsor	4,182,436+	1,488,143	55.2
Brantford	1,213,116+	173,592	16.7
Kitchener	891,439—	187,520	17.4
Sherbroke	1,061,614+	30,920	3.0
Peterboro'	924,055+	68,447	8.0
Total, East	$266,505,435—	$21,780,291	7.5
Moncton	1,108,766	....	...
London	3,057,640	....	...

(Western Cities)

	Feb. 3, 1921.	Change	%
Winnipeg	$ 52,907,246+	$ 4,363,196	8.0
Vancouver	13,545,577—	1,630,514	10.7
Calgary	7,223,040—	750,585	9.4
Edmonton	5,921,214+	1,342,228	29.3
Regina	4,185,268+	414,752	11.0
Victoria	2,214,193—	662,142	23.0
Saskatoon	1,782,863—	61,884	3.3
Moose Jaw	1,308,302—	139,862	9.6
Ft. William	844,364—	219,690	20.6
New Westminster	826,509+	178,230	27.5
Lethbridge	785,113+	20,824	2.7
Brandon	687,772+	33,982	5.1
Medicine Hat	432,454—	40,597	8.5
Prince Albert	414,302—	8,492	2.0
Total, West	$ 93,077,219+	$ 2,839,396	3.1
Grand total	$359,582,654—	$18,940,895	2.5
Year to date	$1,752,569,142—	$43,560,580	2.5

BANK OF COMMERCE OFFICERS GO SOUTH

First Hand Study of Foreign Fields Continued on Broad Scale

The establishment of branches of Canadian banks abroad and the closer relationships formed with financial institutions in other countries have been factors of considerable importance in the development of Canada's foreign trade. Realizing the advantage of first-hand knowledge of conditions in dealing with the problems coming before the Canadian Bank of Commerce executive, Sir Edmund Walker, president of the bank, and S. H. Logan, supervisor of the foreign department, head office, are leaving for a three months' tour of South America. They will not only extend and strengthen the mutual arrangements with the banks established in that hemisphere, but will study the possibilities of enlarging Canadian trade.

Their itinerary includes Rio de Janeiro, Sao Paulo, Montevideo, Buenos Ayres, Valparaiso and Santiago as well as a number of other important centres of South American commerce.

The senior executive officers of the bank have done a great deal of travelling of this nature during recent years. Sir John Aird, the general manager, is at present in the West Indies, where he will visit Cuba, Jamaica and Trinidad, returning via Mexico; while in 1918 he visited South America.

Sir Edmund visited Japan and China some two years ago accompanied by Mr. Logan, and the latter proceeded also to Australia, New Zealand and the Philippines. During 1920 Mr. Logan visited most of the European countries, revising and extending the arrangements of the Commerce with the banks there, which had been somewhat upset by the war.

Canadian manufacturers contemplating the commencement or extension of export trade will no doubt find the information secured through these trips of great advantage.

STOCK MOVEMENTS STILL IRREGULAR; TRADING IS DULL

Continued from page 1

markets continue to display the adverse influence of the depression in trade. Just how soon business will open up again on an extended scale is a problem of widespread interest at the present moment. It does not appear that a sustained revival is possible until prices have reached bottom and goods bought at the higher levels have been completely liquidated. It is quite evident, however, that price readjustments have not as yet been completed in many lines, and it is safe to say in some cases hardly begun.

The merchandise situation has been improved by a general marking-down in price. There still seems to be much ground to be covered here before retail lines are thoroughly liquidated. Delay is caused by the hesitancy displayed by many dealers in marking down their goods to replacement values, endeavoring thereby to avoid loss as far as possible arising out of the present abnormal period. There are favorable indications at the moment, however, which lead to the conclusion that the business revival will not be unduly delayed. An outstanding feature is the gradual resumption of activity in automobile manufacturing on the other side. The New York markets have experienced irregular movements throughout the week. The exchange markets have been steady and firm. There has been little of constructive influence, however, to remove the markets from the present state of lethargy to which they have temporarily succumbed.

OPPOSE LOAN PLAN

Ontario Loan Official Says Safeguard Is "Fallacious"

Reference was made at the annual meeting of the Ontario Loan and Debenture Company to the proposal to extend the deposit acceptance limitations of the loan companies of the province. A. M. Smart, the vice-president of the company, characterized the establishment of a reserve of quick assets—suggested by those asking the extension of deposit limitations as a safeguard—as "misleading, fallacious, quite ineffective and positively detrimental to the companies and the public." The company, he said, was not in favor of the proposal.

John McClary, the president, in speaking of the lifting of the bond "embargo," stated that securities could now be valued on a logical, if old-fashioned basis.

NEWS AND VIEWS FOR MANAGERS

PAPER MONEY, NOT ARMY, MAY BE RUIN OF SOVIET RUSSIA

Prof. Leacock Warns Bank Men Against Inconvertible Over-Issues

CANADA IN MORASS

At Least it Has Made One Step in—History of Greenbacks—Their Slump in Value and Return to Par

By Resident Representative.

MONTREAL.—Following his lectures on gold and silver money Prof. Stephen Leacock dealt with "Paper Money" in the Bankers' Extension Course at McGill University. The issue of paper money had reached enormous proportions and by 1920 at its nominal par value the total would be some $80,000,000,000, or allowing for the issues put forth by Soviet Russia would reach probably $115,000,000,000. During the war paper money had been made to play a larger part than ever before.

The lecturer traced the use of paper money from its earliest record, in China, some 600 years ago, to its use in Europe with the beginning of modern commerce. The certificates of the Bank of Amsterdam, 1609, were the first "bank money," while the Bank of England issued it first in 1694.

The "Continental" Dollar

In taking some outstanding examples of issues of paper money the lecturer emphasized the usually fatal ease of over-issue and the disastrous consequences. The United States Congress in 1775 issued 2,000,000 (Spanish) dollars which it was intended to redeem in four years. The total was doubled the same year; by July 1, 1776, the issue was $15,000,000, and by the end of 1779 $242,000,000. Thus this paper dollar lost its value as measured in exchange for gold or silver money, and the result was soon seen in the corresponding rise in commodity prices. By 1779 it took 45 paper dollars to buy what one gold piece had bought. By 1781 it took 500 to buy in Philadelphia what one dollar had bought in 1774. These "Continental" dollars faded out of existence, and were last heard of among the simple colored folk in the south. Only $7,000,000 were redeemed at a price of 100 for $1. It was held by some to have been a free loan never repaid; all took it and passed it on to the next person. As some one remarked, "the Continental dollar fell asleep in the arms of its last possessor."

In all such cases it is the class of creditors that loses; the debtors who gain. It is the worst kind of national gambling. The only plea for such war money is that it is a melancholy necessity, but it is bad economics. It is, however, of incomparable celerity; it can come into existence overnight, and is bound to remain as a war measure.

The following table shows the huge over-issue of the "Continental Dollar" in the United States, with the consequent depreciation in value as compared with the standard currency, the "Spanish" silver dollar:

CONTINENTAL DOLLARS

Issued Year.		Price of Span. Silver Dollar in Continental Currency. Jan. 1.	
1776	$ 20,064,464	1777	$ 1¼
1777	26,426,333	1778	4
1778	66,965,269	1779	8
1779	149,703,856	1780	45
1780	82,908,320	1781	100
1781	11,408,095	1782	500
Total	$357,476,337		

French "Assignats"

This evil of over-issue and non-convertibility was seen in the French "assignats" (1789-1795). The government, in the revolution, seized church lands, and issued paper money—assignats—in 5, 10 and other franc denominations, to pay the dispossessed clergy and also to serve as the purchase price for the land if tendered by any one. The first issue was 400,000,000 francs. The idea was absolutely sound; it was a piece of ingenious financing; it was sound—all but the psychology. Instead of destroying the notes as they came in the government considered it a sort of "Fortunatus' purse": it was easy money, and so far from retiring what was coming back, a second issue of 800,000,000 francs was made the next year, 1790, and by the summer of 1793 the issue amounted to 3,750,000,000 francs. Two years later the total issue equalled 37,000,000,000 francs, with the result that it lost all power to buy and its value collapsed with disastrous consequences to the industries of the country.

"Soviet Russia will not be killed by armed forces, but it may collapse if eaten into by paper money," declared the professor, who went on to suggest the danger in Canada of a mass of "inconvertible floating money." Canada in the issue of this had taken one step into the morass; would it find its way out?

Greenbacks

In dealing with the history of the "Greenbacks" Prof. Leacock referred to the original issue of 1862 when $150,000,000 was authorized, a step unnecessary at the time and unsound. By June, 1864, $450,000,000 was authorized. During the crisis before Gettysburg and Vicksburg the value fell, but rose when the North proved victorious in these decisive engagements. In 1864 an anti-gold law—forbidding its convertibility into gold—was passed. After two weeks' operation the greenback fell to 37 cents in value, and the Act was hurriedly repealed. From 1865 to 1879 paper money was the sport of the American people, at which date it was restored to par. Many, indeed, preferred high prices and abundant currency, but the better politicians knew the old condition must not continue. Under the Consolidated Act of 1900 the greenback was declared automatically redeemable, and $135,000,000 in gold is kept for that purpose. The greenback has thus become a highly convertible form of paper money. As the day for redemption drew near the two came to absolute parity and when due no one made an effort to redeem it. The obvious lesson in economic policy of the greenback and its history is: unrestricted trade in gold the only ultimate safety.

The following tables as supplied by Prof. Leacock show first (A) the paper money in circulation at the end of 1919, as estimated in the United States mint report, and (B) the world paper currency 1914 to 1920:

Paper money in circulation end of 1919. Nominal par value in dollars:

United States	$ 4,377,057,000
Canada	354,364,000
Argentina	517,957,000
Austria-Hungary	8,814,300,000
Belgium	923,505,000
Czecho-Slovakia	911,597,000
Denmark	428,552,000
France	7,193,986,000
Germany	11,785,898,000
Great Britain	2,436,953,000
Italy	3,580,460,000
Netherlands	404,425,000
Poland	1,254,609,000
Spain	746,316,000
India	704,756,000
Japan	934,195,000
Australia	276,503,000
	$45,645,433,000
Other Countries	5,770,007,000
Total	$51,415,440,000
Soviet Russia (probably)	34,000,000,000
	$85,415,440,000

World Paper Currency, 1914 to 1920

As nearly as can be stated, reduced to dollars at par value of the respective currencies:

	Paper Currency
1914	$ 7,527,000,000
1915	8,562,000,000
1916	19,608,000,000
1917	32,747,000,000
1918	43,091,000,000
1919	51,415,440,000
1920	81,596,000,000

These totals are exclusive of issues of Soviet Government estimated at $34,000,000,000 at end of 1919.

"SANE AND FAIR"

Referring to the article which appeared on this page of the issue of December 24th, in which a Western bank manager dealt with the question of interest rates on deposits in relation to money values and supply of bank capital, the manager of a branch bank in Manitoba writes:

"This is the sanest and fairest proposition I have yet seen suggested and I trust your valuable paper will keep the matter before thepublic—SERVICE on the part of the banks but no imposition by the public."

In this issue the views of an Eastern manager are presented. Further contributions would add to the value of the discussion on this very important issue.—J.W.T.

TO INCREASE THE TAXES OF BANKS

St. John Would Increase Municipal Income by This Method

By Resident Representative.

ST. JOHN.—An agitation to make the banks pay more money into the city treasury has been initiated by City Commissioner Frink. At the last meeting of the city council the commissioner said that as the banks were reporting a prosperous year, the city, which needed more money, ought to increase the taxes on banks, and motion was passed, instructing the mayor to bring down a list of banks doing business in the city, and the amounts taxed against them last year.

BANKS' CHARGES ARE FOUNDED ON DEPOSIT RATES

Ontario Manager Does Not Think Increase Would Help Public

SITUATION CHANGING

Commercial Credits are Being Reduced and Value of Money is Coming to a Lower Level

The deflation of commercial credits and the readjustment of money values to lower levels has for the time being helped to solve the question of banking funds and the attendant problem of interest rates in relation to deposits. However, the proposed legislation in Ontario to permit the loan companies to accept deposits up to twice their paid-up capital and reserve, or double what they are now permitted to accept, has the effect of maintaining the issue as a live one as it is evident that some of these companies at least are proposing to actively campaign for deposits at a higher rate than the banks are now paying. The loan companies argue that they will develop new sources for funds rather than take depositors from the banks but the higher interest rate cannot be ignored.

This subject was brought up recently in these columns by a Western manager who evidently felt that higher rates might be the outcome of the situation. The arguments do not hold up to-day as they did then for the reasons explained. Another point that must be taken into consideration is that an advance in interest rates would undoubtedly be followed by advanced charges on credits by the banks, which effectively argue that present margin between rates on deposits and loans is no more than sufficient to cover the costs of the service and a small return on the investment. In fact it is generally recognized that the bank rates in Canada are maintained on a very favorable basis and that the status and needs of the borrower are considered in granting a line of credit rather than willingness to pay for the service. This puts the Canadian banks in a strong position to gradually curtail industrial and commercial loans as they did last year in the interests of agriculture.

The manager of an Ontario bank who has been giving thought to this question of rates brings up the point of the relation of credit charges to interest paid on deposits:

Dear Sir:—

I see no reason why bank interest should be increased. I further think that it would be a detriment in a way to the general public. Of course, as far as actual deposits are concerned it would undoubtedly mean a great deal to the bank, but on the other hand in view of the cost of operating accounts, etc., it will be necessary in order to make up the difference to charge higher rates from the discount end. The borrower would certainly have to pay more for his money, which would mean considerable to some of our large industries and perhaps the farmer. Outside of increased deposits I see no reason why the interest rate should be increased.

Views of other managers on this question and opinions as to whether increased activities by the loan companies will be a factor in the situation would no doubt be received with interest by readers of this page.—J. W. T.

REGARDING FARM CREDITS

On page nineteen of this issue will be found three articles dealing with the important question of the relationship of provincial governments and the banks in regard to loans to farmers. The situation in various provinces should be followed carefully by bank managers.

LIMIT OF FALL IN PRICES IN CANADA NOT YET REACHED

Continued from page 1

year indicate that the 1920 crop has been pretty well harvested and moved out, and little additional revenue from this source can now be looked for. Their position has improved in one important respect. There is little likelihood that next year they will be required to call upon the government and local municipalities for seed grain to the same extent as in former years. They have made provision from this season's product.

While buyers are displaying considerable interest in the price movement there is no evidence of a revival of buying on an extended scale. In the iron and steel industry manufacturers are receiving many inquiries but orders so far are of comparatively small volume. The present is a buyers' market, but so far the buyer has refrained from unduly exercising the privilege that is open to him. He is awaiting an adjustment of price on a scale commensurate with the rates provided for in construction plans already arranged, but which are deferred pending more favorable conditions.

Reports are conflicting regarding conditions in the retail hardware trade. In the eastern sections of the country the situation is reported as fairly satisfactory, and one well-known concern states that it has been required to employ a considerably larger staff than a year ago in order to handle the business offering, with the prospect that further additions will be necessary shortly. In the West, however, the money stringency has affected this industry to a large degree.

Alberta Pacific Grain Company net profits year ended June 30th, 1920, were $1,305,086, a large increase over 1919 and over ten times preferred dividend requirements. Net current assets stood at $3,317,722 compared with $2,497,497 at the close of the previous year.

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ONTARIO

SALE OF TIMBER

TENDERS will be received by the undersigned up to and including **Saturday, the 5th day of March, 1921,** for the right to cut the timber in the Township of Childerhose, in the Porcupine Mining Division, in the District of Temiskaming.

For further particulars apply to the undersigned, or to Mr. W. G. A. Wood, Crown Timber Agent, South Porcupine, Ontario.

BENIAH BOWMAN,
Minister of Lands and Forests.
Toronto, February 1st, 1921.

Tenders for Oshawa Debentures

TENDERS will be received up to 5 o'clock p.m. Wednesday, February 16th, 1921, for the purchase of the following debentures of the Town of Oshawa:

$132,475.09 30 year 6% Sewers.
48,864.05 20 year 6% Sidewalks.

Payable in equal annual installments of Principal and Interest, with coupons for interest attached.

Tenders to be addressed to
F. E. HARE,
Deputy Treasurer,
Oshawa, Ont.

ONTARIO

Tenders for Pulpwood and Timber Limit

TENDERS will be received by the undersigned up to and including the 4th day of July, 1921, for the right to cut pulpwood and pine timber on a certain area situated in the vicinity of Long Lake, District of Thunder Bay.

Tenderers shall state the amount per cord on pulpwood, and per thousand feet, board measure, on pine, that they are prepared to pay as a bonus in addition to dues of 80 cents per cord for spruce and 40 cents per cord for other pulpwoods, and $2.50 per thousand feet, board measure, for pine, or such other rates as may from time to time be fixed by the Lieutenant-Governor-in-Council, for the right to operate a pulp mill and a paper mill on or near the area referred to.

The successful tenderer shall be required to erect a mill or mills on or near the territory and to manufacture the wood into pulp and paper in the Province of Ontario.

Parties making tender will be required to deposit with their tender a marked cheque, payable to the Honorable the Treasurer of the Province of Ontario, for fifty thousand dollars ($50,000), which amount will be forfeited in the event of the successful tenderer not entering into agreement to carry out conditions, etc.

The said $50,000 shall remain on deposit until the pulp mill, as provided by terms and conditions of sale, is erected and in operation. Any timber cut in the meantime shall be subject to payment of dues and bonus as accounts for same are rendered. After the said pulp mill is erected, and in operation, the deposit of $50,000 may be applied on account of bonus dues as they accrue, but the regulation dues as mentioned above shall be paid in the usual manner as returns for cutting of wood and timber are received and accounts rendered.

The highest or any tender not necessarily accepted.

For particulars as to description of territory, capital to be invested, etc., apply to the undersigned.

All tenders should be enclosed in sealed envelope and marked plainly on outside, "Tender for Long Lake Pulp and Timber Limit."

BENIAH BOWMAN,
Minister of Lands and Forests.
Toronto, January 24th, 1921.
N.B.—No unauthorized publication of this notice will be paid for.

Tenders for Pulpwood and Timber Limit

TENDERS will be received by the undersigned up to and including the 15th day of June, 1921, for the right to cut pulpwood and pine timber on a certain area situated on the Nagagami River and other territory adjacent thereto, in the District of Algoma.

Tenderers shall state the amount per cord on pulpwood, and per thousand feet, board measure, on pine, that they are prepared to pay as a bonus in addition to dues of 80 cents per cord for spruce and 40 cents per cord for other pulpwoods, and $2.50 per thousand feet, board measure, for pine, or such other rates as may from time to time be fixed by the Lieutenant-Governor-in-Council, for the right to operate a pulp mill and a paper mill on or near the area referred to.

The successful tenderer shall be required to erect a mill or mills on or near the territory and to manufacture the wood into pulp and paper in the Province of Ontario.

Parties making tender will be required to deposit with their tender a marked cheque, payable to the Honorable the Treasurer of the Province of Ontario, for fifty thousand dollars ($50,000), which amount will be forfeited in the event of the successful tenderer not entering into agreement to carry out conditions, etc.

The said $50,000 shall remain on deposit until the pulp milll, as provided by terms and conditions of sale, is erected and in operation. Any timber cut in the meantime shall be subject to payment of dues and bonus as accounts for same are rendered. After the said pulp mill is erected, and in operation, the deposit of $50,000 may be applied on account of bonus dues as they accrue, but the regulation dues as mentioned above shall be paid in the usual manner as returns for cutting wood and timber are received and accounts rendered.

The highest or any tender not necessarily accepted.

For particulars as to description of territory, capital to be invested, etc., apply to the undersigned.

All tenders shall be enclosed in sealed envelope and marked plainly on outside, "Tender for Nagagami Pulp and Timber Limit."

BENIAH BOWMAN,
Minister of Lands and Forests.
Toronto, January 24th, 1921.
N.B.—No unauthorized publication of this notice will be paid for.

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It tells all about the improvements that can be built of Concrete—permanent, fire-proof, water-proof, vermin-proof, repair-proof. You will likely want more than one copy. In writing, state how many you can use and we will send you the desired number free of charge, or will forward copies direct to those clients who, you feel, should be interested in concrete construction.

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TORONTO, FEBRUARY 11, 1921

THE LOAN COMPANIES AND DEPOSITS

THE number of mortgage companies, particularly among the smaller organizations in Eastern Canada, showing larger public deposits in their annual reports, is significant in relation to the proposed legislation to permit the acceptance of larger amounts of the people's savings. The success of the loan companies has been in securing capital where it is comparatively cheap and loaning it at an increase which, with efficient management and careful judgment, has permitted of a reasonable margin of profit on the basis of service rendered. The older and stronger organizations have been operated very largely on British capital which was secured at favorable rates before the war. But now with higher interest rates abroad and unfavorable exchange, the Old World source of supply has been temporarily closed. Hence the movement to permit of the acceptance of larger deposits to make Eastern savings available for mortgage loans, particularly in Western Canada.

Few companies are immediately concerned in the increased powers—only one has to any marked extent exceeded the regulations—but with a continuance of the present handicaps in securing capital from abroad there will undoubtedly be an effort made to steadily increase deposits in Canada and this can no doubt be done so long as a higher interest rate is paid than that offered by the banks. Whether this will eventually have a tendency to raise bank interest on deposits and reflect on rates on commercial loans remains to be seen, but no doubt there will be some increase in total available funds as the result of enlarged activities.

Objections to the change are made by those companies which have a strong connection in foreign fields, particularly Scotland. These companies, as emphasized by president W. G. Gooderham, of the Canada Permanent Mortgage Corporation, are renewing debentures on a large scale and not taking advantage of the favorable situation in exchange. They feel that if there is an extension of powers as regards deposits it will undermine the confidence of these outside investors. On the other hand Mr. Rundle, of the National Trust and Mr. Langmuir, of the Toronto General, have openly advocated the proposed legislative changes and manager Wilson, of the Waterloo County Loan, a company with deposits far above the present limit, argues the point at length in a statement appearing elsewhere in this issue.

THE FINANCIAL POST recognizes the strength of the arguments from both sides and would suggest that in making any changes in the legislation controlling the companies that great care be taken to see that precautions are such as to protect both investors and debenture holders. This is a question of management rather than of legislative regulation, as has been indicated by loan company failures in recent years. To insure proper management should be the great aim of the department at Queen's Park and in this connection the suggestion of Government inspection of the companies is worthy of very careful consideration.

HYDRO POWER FOR THE FARMER

IT is proposed in the report of a committee representing all parties of the Ontario Legislature to extend the benefits of Hydro power to agricultural communities by increasing the rates in the industrial centres. The suggestion of $2.00 a horse power as an extra charge is made. The proposal is one which must be considered from several standpoints.

The plan of over-charging in the one case and undercharging in another would not be considered sound under private ownership unless it was for preliminary development which would insure profits later—and that is evidently not a factor here. The duty of the directors of a private corporation would be to return reasonable dividends to the shareholders in addition to interest to the bondholders. But under public ownership there are to be no profits. The people are in theory the shareholders and their return is in the shape of service.

This being the case it becomes evident that, as the credit of the province is the foundation of the Hydro enterprise, all the people have a right to share in the benefits to a certain extent. As THE FINANCIAL POST has frequently argued, the Hydro municipalities alone do not sustain the project because the money has been borrowed on provincial credit and they have obtained their power on the basis of cheaper capital than they could have secured on municipal credit alone—if the money could have been raised at all on such credit. Besides the water powers are the property of all the people and the Hydro does not pay rentals to the public treasury as the private companies have done.

The right of a greater number of people to share in the benefits of a provincial undertaking, therefore, becomes a sound reality. But the extent to which this can successfully be accomplished at the expense of the industrial centres is a matter for careful consideration. Premier Drury is of the opinion that the $2.00 suggested unanimously by the committee is too much. We believe that he is undoubtedly right. In any event the basis should only be established after careful consideration and after the manufacturers have been carefully consulted.

The whole province will benefit from the development of agriculture and cheap light and power will be an important factor. But after all the great benefits from Niagara will come from the expansion of our manufacturing industries and this expansion should not be unduly handicapped. Even acknowledging that all the people have an interest in Hydro because it is built on provincial credit, one section of the public—the shareholders—should not try to take, in benefits—dividends—more than will prove healthy to the main branch of the whole enterprise, which is manufacturing.

In brief, as all the people have an interest in the Hydro because of the provincial credit involved, efforts to extend the benefits are justified. But steps in this direction should be carefully considered so that manufacturing will not be unduly handicapped in the interests of agriculture. Premier Drury appears to have realized this situation in the stand he has taken.

The committee has also recommended that the Hydro should pay taxes like a private citizen or company. With this there can be no sound disagreement. Public ownership enterprises should pay their way. Ratepayers who do not get the benefit of the service should not be asked to bear a burden for those who do. Besides, even from the Hydro standpoint, with a practical monopoly of the situation, the old argument that an advantage is thus gained over the private competitor, who must pay taxes, has lost its force. If there are to be no profits it is largely a question of bookkeeping anyway, and it is the only kind of bookkeeping that is sound.

TELLS C.M.A. TO GET RID OF MURRAY

WHEN G. M. Murray's scheme for controlling press opinion in Canada, through the distribution of the advertising patronage of the manufacturers, was first exposed, THE FINANCIAL POST called upon the executive of the Canadian Manufacturers' Association to immediately wash their hands of the whole scheme definitely and emphatically. This advice was given because an understanding of journalism and publicity led to the immediate conclusion that in the interests of the manufacturers the effort to dictate the tariff policy of the press by such means would prove a boomerang. And this has been the case.

Reference has already been made to the campaign being conducted throughout Western Canada—not against Murray but against the Canadian manufacturers—to boycott those who withdraw their advertising from Western papers. This campaign is being carried on through the local grain growers' organizations in all the Western provinces and it promises to become a real force in the next Federal election when every effort will be made to stir up prejudice in the West against the manufacturers and the financial institutions in the East.

Nor is it alone in the West that the Murray campaign is credited to the C.M.A. The Renfrew Mercury declares that if the charges against Murray are true, "we believe the C.M.A. would be well advised to get rid of him." The Mercury thinks that from the standpoint of publicity the scheme will defeat its own purposes:

> Such selfish and one-sided propaganda is bound to defeat its own ends; in fact the demise of the Toronto News, the Winnipeg Telegram and the Moosejaw News, all of which papers Mr. Murray is alleged to have tried to fatten on "pap," is evidence that his methods are unsound. Advertising is only valuable in papers that enjoy the confidence of the public and any paper that allows its editorial opinions to be purchased or influenced by money or patronage has already started on its way to oblivion.

In the interests of national prosperity Canadian industry needs adequate protection. The tariff as an institution must be justified from that standpoint. Public opinion can and should be educated to the advantages of protection, but it cannot be done by clubbing the press.

Something should be done to offset the harm that Murray has done to the cause of the manufacturers in Western Canada before a vote is polled on the tariff issue.

EDITORIAL NOTES

M. M. MacBride, Brantford, is starting a new group in the Ontario Legislature. Any group that embraces more than M. M. MacBride will be troubled with internal dissension.

* * *

SASKATCHEWAN Grain Growers will keep out of provincial politics as an organization. They are satisfied if as farmers they can control the legislature without having to run a political machine.

* * *

INVESTORS in industrial or financial concerns are just as much entitled to the enhanced value of their shares when the enterprise is successful as is the farmer to the increased value of the land he operates.

* * *

WHILE floating "bonds" of the Irish Republic in the United States, Eamon De Valera, head of the Sinn Fein, has found it valuable to keep a reserve of real securities. Two Canadian Victory bond interest coupons cashed in Toronto a few days ago came from New York and had been clipped from bonds bearing the name of the Sinn Fein head.

* * *

THE constant reiteration of the public ownership newspapers in Ontario that the municipalities are paying their own way does not alter the fact that Hydro funds are borrowed on provincial credit and that is the basis of the interest rate on the bonds. When Ontario has to pay a higher rate for its money than Saskatchewan the matter cannot be so slightly dismissed as Sir Adam Beck and his friends would have the people think.

A Republican Administration And What It Means to Canada

A Strengthening of Anglo-Saxon Bonds—A Better Understanding as to Mexico—Tariff and Paper Situation Are Clouds on the Horizon

By AGNES C. LAUT.

Within one month, the Republicans will be in the saddle in Washington.

What does that mean to Canada?

It means, first of all, an almost entire cessation of "twisting the lion's tail" to get the Irish vote. A country which for eight years has refused to protect its own citizens in Mexico or to permit any other nation to go in and protect its subjects will no longer undertake to support sedition in Ireland from headquarters in New York and Washington.

There will no longer be anti-British jibes on the American side to provoke anti-American jibes on the Canadian side of the boundary.

From first to last, the Republican party has stood for upholding the allies against either a German autocracy or a Russian mobocracy.

A League of Nations

There will be less heard of the League of Nations and more of the league of those nations which have shown themselves worthy of democracy by fighting for freedom and proving their fitness for it. Canada, England and the United States will draw closer in friendship and commercial dealings. Other nations will be drawn in as they behave themselves and increase production for increased trade.

Mexico will be pacified. This affects Canadian banks, tram investments, mines and oil projects. The Democrats have from the beginning of trouble in Mexico taken the ground that investors in foreign securities invest at their own risk. If menaced by confiscation, they ought to get out and take their losses and not involve the country in war. This was the Wilson-Bryan dictum from the first. Invest at your own risk, and if there is trouble—get out.

The Republicans have taken the ground that to keep factories open those factories must have an open foreign market; and to have an open market, American capital must be encouraged to go abroad, and to go abroad it must have a guarantee of protection abroad from disorders and confiscation. Canada is a heavy investor in Mexico. So is England. Between the two, not less than a billion of British capital is invested in Mexico, the British capital chiefly in oils, banks and rail and Mexican government bonds, and the Canadian capital chiefly in banks, oils, tramways, and mines. This capital will now be protected and compensated for all losses in the past.

Will There Be War with Mexico?

I do not think so. The United States does not want it. Neither does Mexico; and the new Mexican government now understands it is dealing with an American administration which it cannot flim-flam with fine words about "self-determination," while it murders foreigners, seizes their property and destroys its own people by ten years of rapine, pillage and crime. No Mexican government will now get support from its own people which forced American intervention by misbehavior to foreigners or anarchistic principles towards capital.

The Labor Outlook

As to labor, there has not been a labor contest during the Wilson regime in which the demands of labor were not met hands down. That is,—on the surface, the demands seemed to be met. Higher and higher wages were granted with shorter and shorter hours. In reality, labor was flimflammed just as much as Mexico; for the cost of living was forced up and up; and to make impossible ends meet, the high-pay short-day laborers were simply laid off for enough time to lower outlay in proportion to the shorter day and higher pay. And labor is mad through and through. What good has it done engineers to receive advances of pay from 200 to 300 per cent. in six years, if the number of their weekly runs has been reduced from six to three, or from six to two, as two engineers who worked on my farm this summer had their runs reduced?

"You bet I voted the Republican ticket," one of them said to me. "I am a Democrat but we were flimflammed long enough. We are worse off than before, but the cost of living has kept going up just the same." Two young workers in the motor tire factories of Detroit came to me after the engineers left. They repeated practically the same. This explains why a section of the labor vote almost promised to the Democrats by Gompers, who campaigned for Cox, at the last moment jumped to Harding and repudiated their leader's pledge.

The reaction of this in Canada need not be told. As wages are here, so they are in Canada. Canadian roads had to raise wages because the American roads did. Canadian freights had to go up to pay increased wages because American freights went up; and the Canadian taxpayer and the Canadian consumer paid the price.

This era of the vicious spiral, the Republicans are pledged to end. We are going to run business over here on the business principles that you can't pay out more than you take in, and to increase currency to meet inflated wages is only to increase the burdens the people are carrying.

Two Clouds on Horizon

Two clouds are on the horizon for Canada in a Republican administration—one is high tariffs, the other is the wood and paper situation.

Will the Republicans revert to high tariffs to replace heavy direct taxation on profits and income taxes?

They undoubtedly will. They are pledged so to do, not because they love protection more but because they love taxation less. Will they tax such incoming Canadian produce as wheat and beef? There is a distinct movement that way but I do not think it will succeed, for it is not sincere. The farmers here are sore as a bumped funny bone over falling prices for farm produce and higher prices for labor, implements and all a farmer buys. To seem to conciliate that grievance, some politicians are advocating barring out all foreign farm produce. You see "doped" data on the enormous imports of Canadian grain and flour. I don't think that movement will go far for many reasons:

First, this is a people of 105,000,000 with less than 30,000,000 on the land to feed them, three to one. Anything increasing the cost of food to the 105,000,000 against the 30,000,000 will not go far.

Second, Canada buys over a billion a year from the United States. Her exchange is bad now. It would be worse if she suddenly had her $500,000,000 exports to the United States checked; and if Canadian exchange went worse instead of better, Canada would slack off her purchases from the United States. Republicans are nothing if they are not practical business men. They are not going to bite off their nose to spite their face, not deform their whole face for the sake of their chin or the jawbone of a political ass.

The Paper Situation

But the paper situation is of a different stripe.

It has dangers for one of Canada's biggest growing industries. American publishers are sore and rightly so. They have been gouged shamelessly. A great many have been driven almost to the bankruptcy court. Canadians know, but American publishers do not know, that the gouging was not done by Canadian paper makers. They wrongly think Canada embargoes the exportation of raw pulp wood to the United States mills. Whereas, only one Canadian province does so and it does so only on lands leased, not on lands owned in fee simple. The gougers, or United States middlemen on this side, have deluged the American press with bulletins confusing the issue to such an extent that a man as well informed as Underwood of Alabama actually proposed "embargoing coal" to Canada till Canada let wood pulp come in to the United States free of all charges or royalties. The gougers send daily bulletins of misinformation to the American press. It is up to Canada to get the facts of the case before the American people and the Republican administration before a lot of false propaganda has poisoned sentiment against the Canadian paper making industry; and Canada ought not to lose one second of time. For if bad feeling arises, Germany will scoop in and capture the market.

PERSONALS

W. D. CAMPBELL, who for the past eight years has been connected with the credit department of the Marshall Wells Co., Winnipeg, has assumed his new duties as manager of the estates department of the Traders Trust Company, Union Trust Building, Winnipeg.

JAMES H. TURNBULL, president of the firm of Turnbull & McManus, sash and door manufacturers, Winnipeg, has been elected as president of the Northern Mortgage Company, and also of the Northern Trusts Company, at the annual meetings held in Winnipeg last week.

PERCY A. VALE, a Toronto banker, has been made a member of the firm of Turner, pragge & Co., members of the Toronto Stock Exchange. Mr. Vale was connected for a number of years with the Traders' and afterwards the Royal Bank of Canada, and was manager of the branch at Yonge and Richmond Streets, Toronto, for the past eleven years.

R. G. DINGMAN, M.A., has been admitted to partnership with the financial house of F. H. Deacon & Co., Toronto. He has been associated with this company for the past two years in the capacity of manager of the bond department. Mr. Dingman was formerly manager of THE FINANCIAL POST. His present promotion is a recognition of his outstanding ability.

L. E. BUTLER has been appointed manager of the bond department of Edward Cronyn & Co., members of the Toronto Stock Exchange. Mr. Butler has been with A. E. Ames & Co. for the past thirteen years and had had during that time a wide experience in all departments of the bond business. Edward Cronyn & Co. are extending their bond activities and Mr. Butler's appointment is in line with the new development.

DAVID H. HAYS, the only brother of the late Charles M. Hays, former president of the Grand Trunk Railway Company, died at Pasadena, California, at the age of 63. Mr. Hays had been for some years engaged in real estate and insurance business at Prince Rupert, British Columbia, being one of the pioneers of this Grand Trunk Pacific terminal. He was compelled to retire some time ago owing to ill-health and took up his residence in California, where he died on Friday last.

E. E. LLOYD has been appointed assistant comptroller of the Canadian Pacific Railway Company to succeed the late W. J. Moule. Mr. Lloyd entered the service of the Company in the stores department at Winnipeg in 1887. In 1897 he was appointed chief clerk in the Stores Department at Vancouver. In 1903 he was transferred to Montreal as chief clerk in the auditing of stores and mechanical accounts and in 1911 he was appointed assistant auditor of stores and mechanical accounts. In 1913 he became auditor, and in 1918 he was made auditor of disbursements. H. J. Dalton succeeds Mr. Lloyd as auditor of disbursements. In 1889 Mr. Dalton was made chief travelling auditor at Montreal and in 1913 asistant auditor of agencies.

ALEXANDER BRUCE SMITH, late manager of Telegraph Systems of the Grand Trunk Railway System, died this week at the age of 72. Early in life Mr. Smith entered the service of the old Montreal Telegraph Company and later joined the G. N. W. Telegraph Company at Hamilton as an operator. He was later appointed superintendent of construction work at Toronto, remaining there until 1903, when at the invitation of the late Charles M. Hays, president of the Grand Trunk Railway Company, he became manager in Montreal of the Grand Trunk Pacific Telegraph and was elected a director of the Company. In 1905 he was called to superintend and complete the construction of telegraph lines between Winnipeg and Prince Rupert, this work being completed in 1913. The previous year he had been appointed manager of telegraphs for the Grand Trunk System with headquarters at Montreal. He occupied this position for two years but retired in 1914 owing to ill-health.

LIEUT.-COL. FREDERICK WILLIAM HIBBARD, K.C., chairman of the Public Service Commission of the Province of Quebec, died on Sunday last in Montreal after a short illness. Lt.-Col. Hibbard occupied a prominent part in the public eye the last few years in connection with his position as chairman of the commission, for it was before him that the fares question of the Montreal Tramways Company came on two occasions for settlement. The question of gas rates and others also was one that had been decided upon by this commission as part of its duties covering the Province of Quebec. The late Lt.-Col. Hibbard was born in Dublin, in 1865, and came out to Montreal late in 1886. Entering McGill he graduated with the medal in law in 1891 and was admitted to the Bar in 1893. He practised from that time, and for many years until the time of his death was head of the firm of Hibbard, Gosselin & Moyse. He was appointed a K.C. in 1907 and also crown prosecutor in Montreal, holding this latter office until 1910. From an early age Lt.-Col. Hibbard took a keen interest in military affairs. He joined the Montreal Garrison Artillery in 1894 as a lieutenant, and was promoted to Captain in the same year. In 1895 he was appointed Major and in 1901 Lieutenant-Colonel in command of the unit. On the outbreak of the war he left the reserve list to resume active service. In politics Lt.-Col. Hibbard was a Liberal and a leading member of the Montreal Reform Club. He was a member of St. James Club, the Garrison Club of Quebec, and St. James Literary Society, and life governor of the Montreal General Hospital. He was in addition an enthusiastic golfer, being president at one time of the Outremont and also the Kanawaki Golf Club.

In an editorial reference The Montreal Gazette writes as follows:

"The death of Mr. F. W. Hibbard, K.C., takes from the professional and public life of Montreal, and of the province, a man of ability and service. In the days when many were inclined to question the value of the militia, he gave his time and energies to the maintenance of local units, and he and others associated with him had their vindication when in 1914 the great war came and from the ranks of the service there were drawn the men who did such great work and did it well in the defence of the Empire's interests. During the war, in which he was not permitted to serve, he helped in the training of others and did his bit with zealous energy. It fell to him as president of the Quebec Public Utilities Commission to start the new body on its career. He helped to make it what it should be, a tribunal that sought to deal justly with the cases presented to it, not seeking the unconsidered applause of the multitude, nor forgetting to care for the public's interests in the decisions it reached. He worthily discharged the duties of the positions he was called on to fill, and deserved the respect in which he was widely held."

For February Funds

We suggest the following:

DOMINION OF CANADA
5% and 5½% Bonds—War Loans...........All Maturieies

PROVINCE OF ONTARIO
6% Bonds .... Due 1st February, 1941

PROVINCE OF ONTARIO GUARANTEED
ISSUED BY THE TOWN OF WALKERVILLE
6% Bonds .... Due 1st December, 1933

PROVINCE OF QUEBEC GUARANTEED
ISSUED BY THE CITY OF THREE RIVERS
6% Bonds .... Due 1st September, 1925

PROVINCE OF ALBERTA
6% Bonds .... Due 15th January, 1936

PROVINCE OF ALBERTA
6% Bonds .... Due 1st May, 1930

PROVINCE OF SASKATCHEWAN
6% Bonds .... Due 1st February, 1936

Also a number of attractive city and town issues.

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BELMONT HOUSE - - - VICTORIA, B.C.
HARRIS TRUST BLDG. - - - CHICAGO
Established 18[illegible]

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

NORTH STAR OIL

J. G., Toronto.—Would you kindly inform me if North Star Oil preferred is a good investment, and is the Imperial Oil, Ltd., in any way connected with same.

We have been informed by parties in close touch with the management of the North Star Refineries that the company has completed a successful year, with prospects for a large volume of business during the present year. The company engages only in the refining end of the petroleum industry, and will be in a position to profit by oil developments in the West. The dividends on the preferred have been regularly met. While we would not care to place this stock in the category of gilt-edged securities it looks like a very fair speculation. This company is not connected with Imperial Oil, Limited.

DOMINION STORES

Enquirer, Ontario.—I would appreciate your opinion of the Dominion Stores, Ltd.

The stock of the Dominion Stores, Limited, has all the appearance of a very favorable speculation. The company, as far as we know, is in a sound position financially, and the management appears capable. In a large scale enterprise a great deal depends upon the management, but the record of General Manager W. J. Pentland is such as to inspire confidence that this company is in efficient hands. A company of this nature is subject to many and varying conditions which may reflect adversely or otherwise, and it is thus removed from the class of gilt-edged securities.

AMALGAMATED COBALT

Enquirer, Nipawin.—A customer of ours holds a certificate for one hundred shares in the Amalgamated Cobalt Mines, and we would be greatly obliged if you could give us some information as to their value.

Stock of the Amalgamated Cobalt Mines, Limited, has little or no value. The last sale recorded was made two years ago at about 3 cents a share. The company, we understand, still holds the property, but it has failed to show any profitable returns.

DOMINION FOUNDRIES

J. P. A., New Brunswick.—I should be glad if you would let me have all the information you can on Dominion Foundries & Steel, as I am a holder of 15 shares of ordinary stock and would like to obtain some idea as to the present and probable value of this stock.

We are informed that work is proceeding satisfactorily in connection with Dominion Foundries and Steel, Limited, and that the company is well supplied with orders. While there is little new business offering in the steel line at the moment the management of this company are looking hopefully to the future. The Universal plate mill, which is being erected, is progressing favorably and should be ready for operation in about a month's time. The common is now quoted at around 52, but what the chances are for appreciation in the immediate future it is somewhat difficult to determine. If business should take a turn for the better and especially for the companies engaged in the manufacture of steel goods then there should be an advance, but at the moment the outlook is clouded in uncertainty.

BRAZILIAN TRACTION

E. J. V., British Columbia.—I would like your opinion of Brazilian Traction. Do you think there is any likelihood of their resuming dividends during 1921?

Brazilian Traction has all the characteristics of a very fair speculation at the present moment, but we believe that it should not be purchased with a view to an immediate or rapid appreciation, but rather for a long hold pending the re-establishment of this security upon a dividend basis. Brazilian has been depressed for a number of months for a variety of reasons, but the market situation is beginning to clear up, and some improvement in the position of this stock is noted in consequence. The company, we understand, is in a sound condition and the volume of earnings has been steadily increasing. Financial conditions have been violently disturbed in Brazil during the past few months, and this fact has in large measure been responsible for the depression of this security. Rumors respecting dividends are being revived, the latest being to the effect that the company may float a stock issue in this country or the United States for the purpose of acquiring capital to meet dividends, so that the money earned in Brazil may be left there and applied to the company's purposes, thus overcoming the difficulty of the adverse exchange situation. No official confirmation of this rumor can be obtained, and it would not do to base any action upon it. It is impossible for an outsider to predict with any pretence to accuracy when dividends will be resumed, but hazarding a guess there seems a possibility of dividends some time this year.

MEXICAN NORTHERN POWER

R. F. M., Nova Scotia.—Kindly furnish me with some information regarding the affairs of the Mexican Northern Power Company. What is their present financial condition? At what price are the bonds and also common stock of this company selling on the market? What is the future outlook for this concern?

In connection with the affairs of the Mexican Northern Power Company, Limited, action has been taken with a view to the protection of the interests of the bondholders, in the formation of a new company bearing the name of the Northern Mexico Power and Development Company, Limited, to acquire the property of the old company. The details of the plan of transfer of securities have been arranged, and it is expected that an announcement of the date on which the transfer will be effected will be announced shortly.

Notice of the date on which the transfer is to be completed is expected shortly. There is no common stock of the old company outstanding, the issue having been retired. The latest quotation on the bonds is on the basis of $9 or $10 per $100.

The company is said to be earning enough to meet all necessary expenses, and the outlook is somewhat brighter. The future of this company depends altogether upon the progress made in the development of the mineral resources of Northern Mexico. There is a great wealth of silver in that region, and the progress that is made in development will depend largely upon the course that the price of silver pursues.

CORRECT QUOTATIONS

G. F., Ashland.—Early in November I instructed a New York exchange firm to buy for me 2 shares Consumers Gas; 3 shares Bell Telephone and 2 shares Ottawa Light, Heat and Power Co., naming in my letter the recent quotations on the Canadian exchanges. A few days later I received a memo of purchase as of November 6th, of 2 shares Consumers Gas at 63¼; 3 shares Bell Telephone at 97, and 2 shares of Ottawa Light at 77. On looking into the price of Bell Telephone shares I decided that they had charged too much considering the premium on New York funds, and they finally readjusted the matter by refunding $7.50, making the stock cost me $94½, which was still possibly $1.00 or more higher than it should have been, as they charged $2.00 commission on each purchase. Would appreciate it if you would let me know what the Consumers' Gas should have cost me on Nov. 6th, and the Ottawa L. H. and Pr., on Nov. 8th.

We find in consulting our files that Consumers' Gas was quoted on the Canadian markets on November 6 last at 136 a share, Bell Telephone at 103, and on November 8 Ottawa Light, Heat & Power at 70. The rate of premium on New York funds on the above dates was approximately 10½ and 11 per cent. respectively. You have evidently purchased Consumers' Gas of par value $50, which would make the market value one-half of the above quotation or 68. Translating these values into New York funds the stock would cost you exclusive of brokerage as follows: Consumers' Gas $61.53. Bell Telephone $93.21 and Ottawa Light, Heat & Power $63.63. There is quite a wide divergence in the charge imposed upon you from the market price on the above dates. It would appear that you have just grounds for complaint, especially in the matter of Ottawa, Light, Heat & Power.

BANKERS' SERVICE CORP.

N. S., Toronto.—Would appreciate it very much if you could give me some information concerning the Banking Service Corporation, Ltd. Are the promoters men of financial standing and good repute, and is the corporation likely to be successful?

The name in this case is apt to give an erroneous conception of this company's business. The Bankers' Service Corporation are the fiscal agents in Toronto of the Mutual Finance Corporation, Limited, of Windsor, and handles no other secur-

Continued on page 23

In Eight Financial Centres

We maintain thoroughly equipped offices for the purchase, sale and exchange of Government, Municipal and Corporation Bonds.

These offices are at Montreal, Toronto, Halifax, St. John, Winnipeg, Vancouver, New York, and London, England.

We solicit inquiries from investors who have bonds and stocks to sell, or from those who wish to buy or exchange. Orders accurately and efficiently executed.

If you wish to read a stimulating review of current business conditions, write and ask us to mail you this month's *Investment Items*.

Royal Securities CORPORATION LIMITED

32

MONTREAL
Toronto Halifax St. John Winnipeg Vancouver New York London, Eng.

Where Does The Publisher Get off?

By S. E. LUTH.
In Printers' Ink.

Last May there was a directors' meeting called by one of the leading farm paper publishers. The record of business booked was submitted. It showed a splendid volume of advertising lined up for 1921, in fact, it was 102 per cent. better than ever before.

The president addressed the meeting as follows:

"Boys, now that they are coming our way, we should do the things that are necessary to put this paper so thoroughly 'over the top,' that its supremacy can never be disputed.

"Let us invest this splendid income in making improvements that will give the advertiser the best proposition there is for the money in our field. Let us make it so good that there never can be any question about his coming back."

Accordingly, plans were perfected for a 20 per cent. increase in circulation. When this circulation was assured, it was decided a new press would be required and it was ordered. To give the additional room and other proper facilities for good press work, the floor space had to be greatly increased, hence the purchase of a building.

It also seemed, not only advisable, but just the right thing, to make a contract for a better grade of paper, and the extra amount necessary for this 20 per cent. increase added about $85,000 to the paper bill.

The next step was to increase the editorial service by the employing of two college professors. These men were engaged under contract to fill a larger paper.

Finally, a Research and Dealer Help Department was installed at a very considerable expense.

These directors planned to do the things that are most wanted by the advertiser, the advertising agent, the representative and even the reader of the paper, and those plans were made as a result of business actually booked.

All this in the month of May. Presto! Change! The tide turned. "From them that hath not, shall be taken even that which they have." Instead of getting the expected and usual amount of fall orders, added to the surplus on hand, in comes a string of cancellations.

Biff! Bang! Smash! Who cares for the publisher? "Truly we gave him a contract, but what of that? Cancel it—we don't think we can use the space to advantage." Not one in a hundred even grant the courtesy of an explanation. It is just a case of cold-blooded indifference to the publishers' rights or the value of an advertising agent's order.

What can the publisher do? He is under contract for his extra circulation. He is under contract for his extra housing facilities—his extra printing equipment and his extra paper. He cannot discharge his editorial force, neither can he discontinue his Research and Service Department. These improvements, made very largely in the interest of a better product for the advertiser, must be carried on.

January first appears on the horizon. Mr. Manufacturer and Mr. Agent take stock of the 1921 prospects and then they jointly decide that Mr. Publisher must reduce his rates to a pre-war basis or get no business. Yes, the decree has gone forth from a very considerable number, and it goes forth without the slightest assurance of what the support would be were a reduction made. Simply a question of "We insist upon lower rates."

There is no recognition of an improved service on the part of the publisher. There is no recognition of the fact that the farm paper publisher was the last of all commercial industries to raise prices, and then never raised them in proportion to the increase in cost of production.

There is no recognition of the fact that the publisher cannot reduce his overhead as can be done in other lines of business. There is no recognition of the fact that the publisher is probably the most decided loser by this epidemic of "cancellitis." Still he must go on—his issue must come out—he is under contract to his readers to supply a specific article, of a standard quality, and there can be no let-up, no matter what the advertising patronage may be.

There is no consideration of the fact that for years and years the press of this country has struggled and struggled through all kinds of hardship, until it put the very foundation under commercial America.

Let the space buyer play fair—be reasonable with the publisher. If you want to suck the blood out of business, starve the press. If you want to put out the fires under the boiler of your own industry, stop your advertising. If you want to cripple the express, the postal, the freight and the railroad service of the United States, stop your advertising. If you want to dull the intellect, cease to educate the buying population of the United States and spread pessimism, then withhold your patronage from the press.

On the other hand, if you want to see the glorious sunshine of business prosperity throughout the length and breadth of this land, jump to the front with the determination to do your part in its promotion. The surest way you can do that is by giving the publisher what is necessary in advertising patronage, and at a profitable rate, thus enabling him to put forth an optimistic, confidence-inspiring and trade-building enthusiasm that will compel business development.—Reprint from Printer's Ink, issue of January 27, 1921.

THE MOTTO JUDGE GARY HAS IN OFFICE

By B. C. Forbes

Judge Gary has in his private office a novel device, different from anything I have ever seen in any other big man's office. Raised several feet from the ground, on a neat stand, are arranged large transparent letters which read:

It Can be Done,
Can't Must Be Overcome.

By pressing a button on his desk, Judge Gary can illuminate the letters very brightly by electricity. The judge makes very effective use of this contrivance by instantly pressing the button when anyone begins to speak pessimistically and complains that a difficulty can't be overcome. Within the last few weeks he has placed another motto, reading:

Success Comes in Cans,
Failures in Can'ts.

The "Can't must be overcome" motto has worked in the case of the man who has risen to be head of the largest enterprise in the world. Why shouldn't it work with the rest of us?

CURRENT OPINIONS

PRAIRIE POLITICS

"Manitoba Free Press."

In Alberta and Saskatchewan the chief political interest is centred in the effect which the growing strength of the farmers' movement will have upon the Government. In Alberta, where this has become a class-conscious movement under the leadership of H. Wood, who is developing a theory of representation which makes vocation and not territory the basis of parliamentary institutions, the present Liberal Government faces aggressive opposition; but in Saskatchewan organized opposition by the farmers to the Martin Government it not among the probabilities. The Saskatchewan Government has cut the connection which formally made it an integral part of the Dominion Liberal organization and has become a party with purely provincial aims, and as such commands so strong a following among the farmers that any attempt to form an opposition to it among the farmers on class lines would be so strongly resisted that a serious split might result. Without doubt the wiser heads in the new movement are not desirous of taking an active part in provincial politics in the West; they would prefer to co-operate with the existing Governments who are without doubt ready to meet them halfway. Understandings of this character in Saskatchewan and Manitoba may be regarded as probable, but doubtless in Alberta Mr. Wood will insist upon trying his new sovereign remedy for public ills upon the electorate at the first opportunity.

NORTH DAKOTA'S SMART ALECKS

New York "Sun."

North Dakota farmers, under the prompting of the Nonpartisan League, have hitherto abstained from sending their wheat to market, at the disappointing prices that have prevailed throughout the autumn. As a result twenty-two of the State banks, pet creations of the league, have failed, dragged down by indebtedness that the farmers now lack the cash to pay. And now it turns out North Dakota and the redoubtable league have had enough. A conference of the Governor, the Commissioner of Agriculture, the manager of the Bank of North Dakota and other high State officers calls on the farmers to give up hoarding and sell out at the rate of 10 per cent. a month.

This is a throwing of consistency to the winds and appearances to the dogs. High officials would not have dared act thus in North Dakota but that they acted for and with the Nonpartisan League. When they act, it acts. The reversal of policy amounts to a general retreat on the league's part. The reversal carries a confession of the defeat of the league's recent policy and of the folly of the judgments that inspired it. Since no body of men dependent on popular following would thus humiliate itself unavoidably, the confession implies that the league finds itself hard pressed to escape on instant downfall of its whole system of agrarian socialism.

The State granaries and banks, the whole of class legislation to prop the farmer class has failed to mend the price of wheat. Now the farmers must take less than they could have obtained in September. Here is one more case in which socialistic reform, the massing of many individuals' hopes and happiness in the hands of a few "smart Alecks," has not worked.

Great West Life

15% Common Stock

Price on request

Greenshields & Co.
INVESTMENT BANKERS
14 King Street East, Toronto
Montreal ◆ Ottawa

Provincial and Municipal Bonds at Attractive Prices

Our February Bond List describes a wider variety of Provincial and Municipal Bonds than it has been possible for us to offer for some time.

Interest rates are substantial, and the wide range of maturities permits the purchaser to invest his money for whatever period of time may best suit his purpose.

Copy gladly mailed upon request.

Wood, Gundy & Company

Toronto
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New York
London, Eng.

We are at all times prepared to buy

Western Municipal and Government Bonds

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Bonds Suitable for the American Market

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NEW ISSUE

CITY OF ST. CATHARINES

6% COUPON BONDS

Maturities: 1922—1926

Principal and semi-annual interest (April 20 and October 20) payable in Toronto or St. Catharines. Denomination, $500 and $1,000

PRICE TO YIELD 6.40 PER CENT.

HARRIS, FORBES & COMPANY
INCORPORATED

C.P.R. Building
TORONTO

21 St. John Street
MONTREAL

If—

a small word, but a mighty big factor when used in conjunction with expressions of your investments.

—IF the directors hadn't decided to pass the dividend.

—IF the diamond drill had struck pay-ore.

—IF the company had been the success the promoters claimed for it.

—IF the bottom hadn't fallen out of the market.

—IF the drillers had struck oil.

You can avoid all references of this nature by placing your funds in the most care-free, worry-free investment—a Canadian Bond. Your principal is safe, your interest is sure and regular.

May we send you a copy of our "Investment Guide," containing a number of excellent suggestions. Its free.

Before You Invest Consult Us

Æmilius Jarvis & Co.
LIMITED
INVESTMENT BANKERS
ESTABLISHED 1891
Jarvis Building
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STOCKS AND BONDS

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WINNIPEG

CALL FOR TENDERS

City of Guelph

$175,000

6% COUPON DEBENTURES

Sealed tenders will be received by the Clerk up to 7.30 p.m. Friday, February the 18th, 1921, for the following debenture issues:

By-law No. 1465—Waterworks Improvement, 20-year, 6%, $1,000 debentures.
Payable—April 20th and October 20th.
Maturing—April 20th, 1940.
$125,000.

By-law No. 1509—Sewerage Extension, 20-year, 6%, $1,000 debentures.
Payable—June 30th and December 31st.
Maturing—December 31st, 1940.
$50,000.

All the above debentures are payable both as to interest and principal at the office of the City Treasurer.

H. J. B. LEADLAY.

Guelph, February 9, 1921.

THE STERLING BANK

OF CANADA

Are you considering a market for your product outside Canada? Would you like information about trade conditions and the prospects of making such a venture successful? Our Foreign Department will gladly place its comprehensive fund of knowledge at your disposal—and its facilities for getting such facts as are not immediately available.

NEWS OF THE BOND MARKET

CONFIDENCE AND STRENGTH, MARKET TENDENCIES NOW

Uncertain Aspect of a Year Ago Has Passed Away

A RISING MARKET

Students of Bond Values See Good Times Ahead—Need For Caution Urged

Strength, built on underlying values and confidence in the economic readjustment, has been the dominant characteristic of the Canadian bond market since shortly before the turn of the year. After twelve months of uncertainties, that were accompanied by rising rates for money and consequent declining bond values, bond men and investors find much to comfort them in conditions to-day.

The growing confidence in the future — not the far distant future which has never been uncertain but the immediate future—has been reflected in the increased activity in the bond market. Municipalities calling for public tenders receive from twelve to eighteen or twenty bids for their issues now, all within a narrow range of prices, rather than the half dozen or so bids received on the average issue a year ago, when the tenders were separated by several points in many instances.

"A rising bond market for a year or more" is what students of the market prophesy. There is much to make their forecast seem conservative. Declining commodity prices, enforced economy among municipalities and borrowing governments, freedom from government control, the possibility of easier money conditions, all have contributed to the underlying firmness and seem to augur well for the future.

But with confidence there must be caution. Municipalities must be even more wary about committing themselves to capital expenditures than during the past two years, and only immediately essential projects must be gone ahead with until a true basis of values is definitely established. Investors must continue to examine into the intrinsic value of their investments. But the bond market wears a different aspect now, different from its sombre uncertainty of a year ago, and investors, bond men and borrowers alike are gaining.

UNITED STATES BOND MARKET

Institutional Buyers Come in After Many Months

NEW YORK. — A year ago the municipal bond market was supported principally by private investors who were purchasing tax-free bonds in order to escape heavy income supertaxes. To-day there is still a heavy demand from this source but the savings banks and insurance companies are also adding materially to the buying power which is now supporting the market for state and city bonds.

The following table shows the new issues of state and municipal bonds sold in January for the past ten years, as compiled by The Bond Buyer of New York:

1921	$66,474,961
1920	86,932,881
1919	24,004,352
1918	18,351,739
1917	39,345,640
1916	51,410,817
1915	31,336,878
1914	84,206,933
1913	42,933,341

HOW TO SAVE $9.

With a sheaf of Victory bonds under his arm the business man walked into his bank. "I want a safety deposit vault for these bonds," he told the manager. "How much will it cost me?"

The bank man looked over the pile of bonds. "There's quite a bunch of them," he remarked. "A safety deposit box large enough for that stack will cost you $12 a year."

"Too much money," said the business man and walked out.

The next day he returned and said to the manager, "I want to borrow $50 for a year. Will you loan it to me if I give you proper security?"

"Certainly," the manager replied. "It will cost you 6 per cent. interest or $3 a year. By the way, what security are you going to leave with us for the loan?"

"These," said the business man and he produced his bundle of bonds.

It took the manager a minute to figure this one out.

PORT COLBORNE SELLS $115,000 OF ITS BONDS

Issue Goes to Dominion Securities Corporation at Less than 6½ Per Cent.

An issue of bonds by Port Colborne, Ont., totalling $115,000 went to the Dominion Securities Corporation at 101.418. The debentures were 6½ per cent. thirty-instalment type.

Bids were:

For Whole Issue	
Dominion Securities Corp.	101.418
Wood, Gundy & Co.	101.08
C. H. Burgess & Co.	100.87
Harris, Forbes & Co.	100.72
Canadian Debenture Corp.	100.67
A. E. Ames & Co.	99.29
For Half of Issue	
Dominion Securities Corp.	101.457
C. H. Burgess & Co.	101.06
Harris, Forbes & Co.	100.89

DOMINION SECURITIES BUY BROCKVILLE'S

Issue Goes after Spirited Bidding at Rate of 6.41 Per Cent.

Dominion Securities Corporation were the purchasers of an issue of $143,964 of Brockville bonds, bearing interest at 6 per cent. and repayable in ten instalments.

The price paid was 97.839 and at this figure the town borrows at 6.41 per cent.

The bids received were as follows:

Dominion Securities Corp.	97.839
A. E. Ames & Co.	97.64
Harris, Forbes & Co.	97.627
A. Jarvis & Co.	97.58
C. H. Burgess & Co.	97.43
R. C. Matthews & Co.	97.07
Turner, Spragge & Co.	97.051
Dyment, Anderson & Co.	97.029
Canada Debenture Corp.	97.01
Brent, Noxon & Co.	96.71
Wood, Gundy & Co.	96.93
United Financial Corp.	96.34

BUY SARNIA ISSUE

Canadian Debenture Corporation Purchases Bonds

Sarnia sold $164,747 of debentures this week to the Canadian Debenture Corporation. The bonds bore interest at 6 and 6½ per cent. and were repayable in ten and fifteen instalments. The price was 99.79.

CORNWALLIS BONDS SOLD

Brandon Firm Purchaser of $100,000 Block

The rural municipality of Cornwallis, Man., has sold $100,000 of thirty-year 5½ per cent. good roads bonds to Unicume & Burns, Brandon.

The sale was made on a basis of about 6½ per cent.

THIRTEEN TENDERED ON KITCHENER ISSUE

And City Sold its Bonds on Basis of 6.35 Per Cent.

Kitchener has sold an issue of $20,000 of 6 per cent. twenty-instalment bonds to the Dominion Securities Corporation at 97.587.

The rate to the town for its funds was 6.35 per cent.

Tenders were numerous and were as follows:

Dominion Securities Corp.	
Harris, Forbes & Co.	97.578
A. Jarvis & Co.	97.06
Wood, Gundy & Co.	96.88
MacNeill, Graham & Co.	96.838
Canadian Debentures Corp.	96.784
C. H. Burgess & Co.	96.77
National City Co.	96.52
A. E. Ames & Co.	96.40
R. C. Matthews & Co.	96.27
United Financial Corp.	96.17
Dyment, Anderson & Co.	96.07
W. A. Mackenzie & Co.	95.11

RATE OF 6.23 P.C. PAID BY TOWN OF SIMCOE

Issue of $28,000 Brings Out Fifteen Bids This Week

A good price was received by the town of Simcoe for a block of 5½ per cent. twenty-instalment bonds offered this week. The fifteen bids received were within two points of each other.

The issue consisted of $28,976 of debentures and was sold to Wood, Gundy & Co. at 91.11, a 6.23 per cent. basis.

Tenders received were:

Wood, Gundy & Co.	01.11
A. E. Ames & Co.	90.60
A. Jarvis & Co.	90.42
Brent, Noxon & Co.	90.19
C. H. Burgess & Co.	90.114
Dyment, Anderson & Co.	90.07
MacNeill, Graham & Co.	89.93
Canadian Debenture Corporation	89.80
United Financial Corp.	89.62
Harris, Forbes & Co.	89.587
Bell, Gowanlock & Co.	89.55
T. S. G. Pepler & Co.	89.40
National City Co.	89.26
W. A. Mackenzie & Co.	89.11
R. C. Matthews & Co.	89.10

TO TRANSFER SURPLUS TO CURRENT ACCOUNT

Saskatoon Uses $50,000 Excess Earnings For Ordinary Expenditures

Saskatoon has been authorized by the local government board to transfer $50,000, surplus earnings of the city's sinking fund, to current account. When authorizing the transfer of the $50,000 surplus to current account, the board mentioned the advisability of purchasing securities payable in New York funds, and maturing at approximately the same time as maturing debentures of the city are payable in New York. This procedure would obviate the necessity of paying exchange rates when debentures became due. Commenting on this suggestion Commissioner Yorath recently stated that the city already held securities payable in New York and that to date more than $5,000 had accrued to the city through them on account of the condition of the exchange. If the state of the exchange remains the same until 1924, when the debentures referred to mature, almost $17,000 will have been realized by the city, which will more than offset the loss involved in the redemption of the debentures.

WINNIPEG'S ISSUE IS MADE $1,250,000

Wood, Gundy & Co. Took Option on Half Million Additional

After purchasing $750,000 of bonds of the city of Winnipeg on a 6.18 per cent. basis last week, Wood, Gundy & Co. took an option on $500,000 additional bonds at the same price, making the total sale $1,250,000. The tenders submitted by various bond houses for the issue were very close and the city received a price that indicates very substantial improvement in the bond market.

The issue was in 20-year 6 per cent. bonds and tenders received were:

Wood, Gundy & Co.	97.89
United Financial Corp.	97.84
Osler, Hammond & Nanton, General Securities Corp., and A. Jarvis & Co.	97.81
A. E. Ames & Co., Dom. Securities Corp., and J. A. Thompson	97.638
W. A. Mackenzie & Co., R. A. Daly & Co., National City Co., and Harris, Forbes & Co.	96.67
Housser, Woods & Co., C. H. Burgess & Co., Canadian Debentures Corp. and Bond & Debenture Corp.	96.33
R. C. Matthews & Co., Allan, Killam & McKay and Dominion Loan & Securities Corp.	95.52

BOND MOVEMENTS OF THE WEEK

Bonds—	Int. Rate.	Due. Year	Yield	Range 1921.		Latest Price		Wk. End. Feb. 8		Sales
				High	Low	Ask	Bid	High	Low	
Asbestos	5	1942	6.87	80	77	79½	79	79	..	$3,700
Can. Bread	6	1941	7.43	85	84	85	84	85	..	6,000
Can. Steam., deb.	5	1943	7.77	70½	..	..	..	70½	..	6,500
Cans. Rubber	6	1946	6.82	90	86	..	90	90	..	5,000
Cons. Rubber	6	1946	6.82	90	86	88	87	87½	87	3,400
Dom. Coal	5	1940	6.23	87	86*	87	86	86	..	4,000
Dom. Iron	5	1929	8.20	80	75	..	80	80	79½	45,000
Lyall Cons.	6	1932	8.25	83	..	..	..	83	..	300
Mont. Trams.	5	1941	5.53	93½	93	..	..	93½	..	850
Mont. Trams. deb.	5	1924	13.40	66	63¾	66	65½	66	65	19,300
Mont. Power	4½	1932	5,67	90½	88¼	..	..	90	88¼	4,000
Montreal, Dec., '22	6	1922	2.80	106½	96½	..	105½	106	105½	2,500
Do., Sept., '23	6	1923	6.37	99	98	..	98	99	..	5,000
Nat. Breweries	6	1939	6.68	92⅞	..	..	..	92⅞	..	5,000
Penmans	5	1926	7.40	89	85	89¼	88½	89	88½	4,500
Price	5	1940	7.08	78	..	..	..	78	..	900
Quebec Rly.	5	1939	8.74	64	59	64	63⅞	64	63	17,600
Rio	5	1935	7.66	78	*62	77	76½	77	67	5,200
Sao Paulo	5	1929	8.20	79½	70	80	78½	79½	76	17,000
Steel of Can.	6	1940	6.43	95	92½	..	93½	95	..	6,100
Wayagamack	6	1957	8.07	78¼	75	77½	77	78	76½	12,800
War Loan, 1925	5	1925	6.30	95½	92	94⅝	94⅜	95¼	94⅜	29,100
Do., 1931	5	1931	5.67	95¼	90¾	95	94½	95¼	94	23,000
Do., 1937	5	1937	5.22	98½	94½	97⅜	97¼	98	97¼	121,100
Victory, 1922	5½	1922	5.96	99¼	97	99⅛	99	99⅛	98⅝	329,550
Do., 1923	5½	1923	6.05	99	95½	98⅝	98½	98¾	98	185,150
Do., 1924	5½	1924	6.58	98½	94¼	96⅝	96⅜	96¾	95⅛	474,150
Do., 1927	5½	1927	5.72	99⅛	95¼	99	98¾	98⅞	98	94,100
Do., 1933	5½	1933	5.62	99	95⅛	99	98¾	99	98	398,050
Do., 1934	5½	1934	5.99	96⅛	92¼	95½	95⅜	95⅝	95⅛	990,750
Do., 1937	5½	1937	5.52	100½	96½	99¾	99⅝	99⅞	99¼	1,243,500

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*Small lots.

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FIELD OF MUNICIPAL FINANCE

DIVERSE FACTORS AT WORK SHAPING COMMUNITY LIFE

Centrifugal and Centripetal Forces Aim at Supremacy

CIVIC HOME RULE

De-Centralization of Municipal Government Would Mean Sturdy Community Life, is Claim—Other Side

Centrifugal and centripetal forces have always been in conflict throughout the constitutional history of most countries and in Canadian municipal life these opposing elements are continually aiming at individual supremacy. The advocates of decentralization have as their battle cry "More Home Rule for Our Cities," they point to need for a greater development of sturdy community life in Canada, which would lead to the development of a better local understanding of local affairs. Those who favor stricter control of civic finance, civic works and civic activities by centralized provincial authorities point to the lesson of the past, the mistakes that have been made by inexperienced municipal officials, and the advantages of having available under central authorities experts who could be called in by local authorities for consultation and advice.

Many mistakes that have marred the pages of Canadian municipal history in the past have been due to the inability of some of the provinces to strike an equipoise between the opposing forces. After towns and cities have been allowed to make enormous capital expenditures — in many cases on projects that were doomed to prove "white elephants" from the start—and have been allowed to neglect such important institutions as sinking funds, proper registration of voters, equitable assessment and so on, repentant provincial governments have established central boards of authority to prevent future mistakes, but without sufficient authority to correct former mistakes.

Case for Less Control

The case for the "civic home rulers" has been stated several times by their chief advocate, Duncan Hardie, of Lethbridge, who in an article in THE FINANCIAL POST last year said:

> "That benevolent autocracy is productive of the greatest economy is true beyond question, but to produce the greatest good to the greatest number means that you must have the active and persistent interest of the greatest number along intelligent lines. Intelligent lines are not those produced by political intrigue but by an open, honest, fearless conduct of the people's public affairs along the lines of their own direction through their close and immediate officers in charge of civic affairs."

The Other Side of It

A sane exposition of views of those who would have a greater measure of control exercised over cities and towns was given THE FINANCIAL POST recently by a keen student of municipal government. He said:

> "Most of the troubles of Canadian municipalities have arisen from the fact that it is impossible for the small community to have the same expert advice on public matters as is available to the larger and wealthier cities. The village or town pays its engineer $1,500 a year and gets a $1,500 man whose experience may lead him to recommend construction work utterly unadapted to the municipality's needs. And local city treasurers are too often out of touch with the movements of the financial markets and are not always able to give the best counsel to their councils.
>
> "Local councils as well are not always composed of the sanest men in any community. It is an unfortunate feature of municipal government that the best men do not always seek the municipal offices. Councils are dominated by small politicians and by groups of interested builders or by others who do not stand for the highest community interest. Their vision seldom reaches beyond the next election day.
>
> "So long as the best men do not seek civic office and paid officials are not all experts, it will be essential for legislation to be framed with a view to keeping a proper balance in civic government. Too great local autonomy cannot be granted.
>
> "But while certain restrictions on local activities may be found necessary, the provinces should not forget their constructive duties. While restricting, they should counsel and advise. There should be central bodies to direct the general policy of financing, public utilities, assessment equalization, etc. There should be paid experts in these matters whose services could be given to municipalities planning extensive projects."

It is probable though that those who aim at a greater stricter control of civic financing and civic works by experienced officials of provincial governments will dominate the tendencies for some few years at least. A strong community life is needed in Canada but civic action uncontrolled is not desirable now in the opinion of many students of the question.

Money By-Laws

TENDERS WANTED

Feb. 16, Oshawa—$132,475, 6%, 30-year, sewer debentures; $48,864, 6%, 20-year, sidewalk debentures. F. E. Hare, Deputy Treasurer, Oshawa, Ont. (See announcement elsewhere in this issue).

Feb. 15, Kenora.—$82,319.38, 6½ and 7 per cent., 10, 15, 20 and 35-year, various debentures. F. J. Hooper, Clerk and Treasurer, Kenora. (See announcement elsewhere on this page.)

Feb. 11, Portage La Prairie.—$54,000, 6 per cent., 20-year waterworks and electric light debentures. W. R. Grieve, Secretary-Treasurer, Portage La Prairie.

Feb. 23, Village of Point Edward.—$24,000, 7 per cent Public School debentures. David Suhler, Clerk, Point Edward. (See announcement on page 13).

Mar. 26, Drumheller, Alta.—$28,000, 7 per cent., 20-year Hospital debentures. S. P. Williams, Sec.-Treasurer, Drumheller. (See announcement on page 13.)

Feb. 28, Transcona.—$48,000, 6 per cent., 20-year School debentures. John M. Forbes, Sec.-Treasurer, P. O. Box 236, Transcona, Man.

Feb. 15, Fredericton, N.B.—$120,000, 5 per cent., serial bonds, maturing from 1924 to 1934.

Feb. 18, Guelph.—$125,000, 6 per cent., 20-year, waterworks debentures; $50,000, 6 per cent., 20-year, sewerage debentures. City Treasurer, Guelph. (See announcement on page 12).

DEBENTURE NOTES

Toronto.—The Council has passed by-laws to provide $1,900,000 for capital expenditure in connection with sites and buildings for the Board of Education.

York County.—An expenditure of $500,000 by the Toronto and York Roads Commission during 1921 has been authorized by the York County Council. Of this sum $440,000 is for building new roads and $60,000 for maintenance. York County will provide $175,000 for building and $16,000 for maintenance.

SASKATCHEWAN

The following is a list of authorizations granted by the Local Government Board from January 15th to January 29th, 1921:

Schools—Crest, $5,000; Cupar, $3,000; Meeting Lake, $2,500; Little Bridge, $4,600; Harptree, $3,500; Pretty Valley, $5,000; Bukowina, $3,000; Middle Lake, $400; Natika, $4,300.

Rural Telephones—Eastmount, $8,000; East Milden, $7,500; South Church Bridge, $2,500; Dewar Lake, $25,900; Round Plains, $6,500; Dinsmore, $1,500.

The following is a list of authorizations reported sold by the Local Government Board from January 15th to January 29th, 1921:

Pizarro, 2984, $1000, 10 years, 8 per cent., W. Foster, Marengo; A. Tisdale, Loverna. Winter, 4014, $1100, 8 years, 8 per cent., J. B. Dearing, Senlac. Lake Valley, 1509, $16,000, 20 years, 8 per cent., Waterman-Waterbury Mfg. Co., Regina; Neepawa, 1517, $4200, 15 years, 8 per cent., H. J. Birkett, Toronto. Findlater, 2165, $7800, 20 years, 8 per cent., Harris, Read & Co., Regina. Hoosier, 1105, $1100, 10 years, 8 per cent., Mrs. S. Doyle, Hoosier. Trombley, 1811, $1200, 10 years, 8 per cent., Chas. Bouchier, Crystal Springs. Belleville, 1832, $1500, 20 years, 8 per cent., Frank Hourd, Kennedy. Khedive, 1978, $7000, 15 years, Harris, Read & Co., Regina. Grain Belt, 4325, $4275, 10 years, 8 per cent., K. Julson, Gull Lake. Campbellville, 1140, $1000, 10 years, 8 per cent., W. H. Coak, Star City.

Rural Telephones.—Shell River, $12,300, 15 years, 8 per cent., Harris, Read & Co., Regina. East End, $12,500, 15 years, 8 per cent., T. P. Taylor, Regina. Marcelin, $8,000, 15 years, 8 per cent, Harris, Read & Co., Regina; Balgonia, $1000, 15 years, 8 per cent., H. Langdale, Regina; Horse Lake, $7,300, 15 years, 8 per cent., R. O. Berwick, Regina. West Hague, $8000, 15 years, 8 per cent., E. T. Channell, Prince Albert. Leask, $31,500, 15 years, 8 per cent., H. E. Shackleton, Prince Albert. Springside, $1000, 15 yrs., 8 per cent., A. Welby, Springside. Biggar-Neola, $14,700, 15 years, 8 per cent., T. W. Brown, Saskatoon. Spalding, $16,000, 15 years, 8 per cent., T. W. Brown, Saskatoon. Stockholm, $5,700, 15 years, 8 per cent.; Quill Plains, $8,024, 15 years, 8 per cent.; Ibstone, $4600, 15 years, 8 per cent., C. C. Cross & Co., Regina. Balgonie, $10,900, 15 years, 8 per cent., Harris, Read & Co., Regina. Northfield, $5,000, 15 years, 8 per cent., T. J. McVicar & Co., Regina. North Springside, $8,500, 15 years, 8 per cent., Bank of Montreal, Springside. Yellow Lake, $3100, 15 years, 8 per cent., S. L. Ross, Regina; Lilyholme, $7,950, 15 yrs., 8 per cent., S. L. Plant, Regina. Sylburn, $10,000, 15 yeads, 8 per cent.; Storthoaks, $6300, 15 years, 8 per cent., C. C. Cross & Co. Regina. Fern Glen, $3000, 15 years, 8 per cent., W. Ward. Naseby, $3,000, 15 years, 8 per cent., T. W. Brown, Saskatoon.

Village.—Buchanan, $800, 10 years, 8 per cent., O. Voge, Buchanan.

EDMONTON POST GOES TO YORATH

City Commissioner of Saskatoon Joins Alberta City's Staff

By Resident Representative.

EDMONTON.—Public utility services here are to lose two experts and gain a third. J. E. Lowry, superintendent of the city telephone system, has resigned to take the commissionership of telephones under the Manitoba provincial government, and W. R. Pearce, superintendent of the Alberta government telephone system, is going to New Brunswick to be the head of the talking service in that province.

The incoming expert is C. J. Yorath, of Saskatoon, who has been appointed city commissioner of public utilities and assistant finance commissioner. For his services in these departments, for which he is considered to be specially well fitted, he is to receive a salary of $9,000 a year.

GRAND PRAIRIE HAS TROUBLES WITH PLANT

Cannot Finance Purchase of Electric Light Plant

Considerable difficulty is being experienced by the town of Grand Prairie, Alta., in financing the purchase of the town's electric light plant, formerly owned by private interests but since January 1 operated by the town under an agreement by which it becomes the town's property on payment of the purchase price of $12,702.

It had been intended to issue debentures covering the purchase price but no market has been found for these and a loan has been arranged from the town's bankers. The plant, which was built about two years ago, has been a losing venture from the start, although it is hoped that, with an increase in the number of customers and more economical operation, operating costs will be paid.

CUT ESTIMATES

St. John City Council Heeds Economy Plea

By Resident Representative.

ST. JOHN.—As the result of demands for economy by business delegations, the city council cut over $150,000 from their original estimates. The total of the city and county warrants on which the assessment in the city for 1921 will be based will be $12,000 more than last year. The amount of the warrant this year is $1,489,303, as compared with $1,477,338 last year. The tax rate last year was 2.98; in 1911 the rate was 1.94.

WINNIPEG HAS SURPLUS

City's Revenues Exceeded Estimates Made Last Spring

WINNIPEG.—Larger revenues and smaller expenditures than estimated last spring, together with funds set aside for delayed payments, combined to give the city a surplus of $151,763 for the eight-months' period ended December 31, 1920.

The Winnipeg Electric Railway Company is contributing to the city much more revenue than anticipated. Its contract with the city requires it to turn over 5 per cent. of its gross earnings and a tax of $20 on each street car operated during the year.

Although the city only expected $140,000 as its share of the company's gross earnings, the railway will contribute $174,612. The car tax will be $6,740 as against an estimate of $6,800.

ASKS RENTAL TAX

Edmonton Intends Applying for New Rights

EDMONTON. — Amongst other amendments to the Edmonton charter which will be sought from the coming session of the provincial legislature is likely to be one asking power to impose a rental tax, a section of the council being strongly in favor of instituting this form of taxation on citizens who at present pay no direct taxes to the municipal treasury.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date.	Place.	Sold to	Rate %	Term.	Amount.	Price.	Basis
Feb. 7.	Sarnia	Can. Debenture Corp.	6&6½	10 & 15	$167,747	99.79	....
Feb. 7.	Port Colborne	Dominion Securities Corp.	6½	30-in.	115,000	....	....
Feb. 1.	Newmarket	Locally	...	......	20,000	....	....
Feb. 1.	Lennoxville, P.Q.	Locally	6	40-yr.	75,000	....	....
Feb. 1.	North Vancouver	Locally	...	......	41,000	....	7½%
Feb. 1.	Three Rivers, P. Q.	Keating & McCrea	6	4-yrs.	200,000	89.39	6.37
Feb. 7.	Borderville	Dominion Securities Corporation	6	10-ins.	143,964	97.839	6.41
Feb. 4.	Winnipeg	Wood, Gundy & Co.	6	20-yrs.	1,250,000	87.89	6.20
Feb. 4.	Cornwallis, Man.	Unicume & Burns	5½	30-yrs.	100,000	....	6.50
Feb. 8.	Dauphin, Man.	C. H. Burgess & Co.	...	......	64,000	....	....
		INDUSTRIAL					
Feb. 5.	Spanish River	Royal Securities Corporation	8	20-yrs.	3,000,000	....	....

May We Suggest

an investment where your surplus funds will have absolute "Investment Safety," combined with a yearly income, higher than usual.

Particulars Upon Request

HOUSSER WOOD & COMPANY
12 King Street East, Toronto

Bonds of the Dominion of Canada
To Yield 6.10%

We can offer a bond guaranteed by the Dominion with interest payable half-yearly (January and July), and 40 years to run, to yield 6.10%.

This is a very attractive offering. May we send you particulars?

McKAY-McKAY
Government & Municipal
BONDS.
C.P.R. Building : Toronto

TOWN OF KENORA DEBENTURES

Sealed Tenders will be received by the undermentioned up to 12 Noon Tuesday, the fifteenth day of February, 1921, for the following Debenture Issues, Totalling $82,319.38:

Bylaw Nos. 756 and 773—Electric Utility 7% Instalment Debentures, Principal and Interest payable 1st day Aug. each year, in 15 equal annual instalments. Final instalment payable 1st Aug., 1935 ....$10,000.00

Bylaw No. [illegible] 781—Waterworks, 30-year, 7%, $1,000.00 Debentures. [illegible] Interest payable semi-annually on the 30th June and 31st Dec. Maturing 30th June, 1940 ....$20,000.00

Bylaw Nos. 770 and 772—Consolidated Debt, [illegible] year, 6½%, $1,000.00 Debentures. Interest payable semi-annually on the 30th June and 31st December. Maturing 31st day of December, 1953 ....$13,564.87

Bylaw No. 774—Electric Debenture, 10-year, 7%, $500.00 Debentures. Interest payable semi-annually on the 1st Feb. and 1st Aug. Maturing 1st day of Aug., 1930 ....$6,000.00

Bylaw Nos 768 and 775—Public Improvement, 7% Instalment Debentures. Principal and Interest instalments payable yearly on the 1st day of Aug. in 20 equal annual instalments. Final instalment payable 1st Aug., 1940 .....$25,000.00

Bylaw Nos. 766 and 776—Local Improvement 7% Instalment Debentures. Principal and Interest payable 1st day Aug. each year in 20 equal annual instalments. Final instalment payable 1st Aug., 1940 ....$7,735.38

The above Debentures are payable both as to Interest and Principal at the Imperial Bank of Canada, Kenora, Ontario.

J. J. HOOPER,
Clerk and Treasurer.

Kenora, Ont., Dec. 3rd, 1920.

Village of POINT EDWARD Debentures

TENDERS will be received by the undersigned up to 7 p.m. Wednesday, 23rd day of Feb., 1921, for the purchase of $24,000.00 Public School debentures (remodeling public school).

Debentures are in 3 lots of 20 debentures each, viz:

Lot 1,	amounting to	$12,000.00
Lot 2,	" "	8,000.00
Lot 3,	" "	4,000.00

Bearing interest at 7%.

1st debentures payable Dec. 31st, 1921.

DAVID SUHLER,
Clerk,
Point Edward.

Drumheller Municipal Hospital Board No. 3

Office of Secretary-Treasurer

SEALED tenders will be received up to and including March 26th next, by the Drumheller Municipal Board No. 3 for the purchase of twenty-eight thousand dollars ($28,000), twenty-year, seven per cent. Hospital Debentures, repayable in equal annual instalments of Principal and Interest in total.

The highest or any tender not necessarily accepted.

For further information write

S. P. WILLIAMS,
Secretary-Treasurer.

Drumheller, Alta.

WANTED
Junior for Financial Office
Apply by Letter Only
A. E. AMES & CO.
Union Bank Building Toronto

OUR GOLDEN JUBILEE
1871 - 1921
FIFTY YEARS OF SERVICE
Sun Life Assurance Company of Canada
Head Office: Montreal

UNION CASUALTY
Canada's *Zenith* Company
Authorized Capital - $500,000.00
WINNIPEG, MANITOBA
Underwriting
FIRE AND MARINE
Automobile - Plate Glass - Live Stock
Health and Accident Surety and Bonding

BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL
Canadian—Strong—Progressive
General Fire Insurance Business Transacted
Theodore Meunier, Manager

The Independent Order of Foresters
Furnishes a Complete System of Insurance
Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.
Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
Policies issued from $500 to $5,000. For further information and literature, apply to
Benefits Paid 66 Million Dollars
R. MATHISON, Secretary. W. H. HUNTER, President.
HEAD OFFICE - TORONTO

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
A Canadian Company Investing Its Funds in Canada
APPLICATION FOR AGENCIES INVITED
TORONTO: 20 KING ST. W. W. H. George, Superintendent of Agencies

1870 --- OUR GOLDEN JUBILEE --- 1920
FIFTY-ONE YEARS OF STEADY PROGRESS
One of the most brief yet impressive histories of Canadian financial institutions is contained in the annual record of the Mutual Life of Canada. The current issue will be ready in a few days. A copy will be sent to you on application. It contains fifty-one successive summaries showing in ten parallel columns the increase from year to year of the company's various receipts, expenditures, etc. No other document could better convey the idea of solid uniform achievement, and the momentum of the advance is now greater than ever. The prospects are bright for a still more rapid expansion within the next few years. The assets of the company exceed $40,000,000 and the assurances in force have reached $206,000,000. There is a gross surplus of more than five million dollars over and above the amount necessary to guarantee all policies, so that the position of the company in spite of the strain of recent years is one of uncommon strength.
THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA, WATERLOO, ONTARIO
HUME CRONIN, M.P., President - - - CHARLES RUBY, General Manager

5½% Interest Return
INVEST YOUR SAVINGS
In a 5½ DEBENTURE of
The Great West Permanent Loan Co.
SECURITY
Paid-up Capital $2,412,578.81
Reserves 964,459.39
Assets 7,986,695.54
HEAD OFFICE, WINNIPEG
Branches: Toronto Regina Calgary Edmonton Vancouver Victoria Edinburgh, Scotland

NIAGARA FIRE INSURANCE COMPANY
Incorporated 1850 Head Office: NEW YORK
Cash Capital: $1,000,000.00
Total Assets Dec. 31st, 1919: $11,817,340.03
Canadian Department: MONTREAL W. E. Findlay, Manager
Toronto Agents - - - Murphy, Love, Hamilton & Bascom

A LIFE INSURANCE POLICY
IN THE
ONTARIO EQUITABLE
will give you
TWICE THE SUM INSURED IN EVENT OF DEATH BY ACCIDENT
LOW PREMIUM RATES SPECIAL FEATURES
M. P. LANGSTAFF, A.I.A., F.A.S., Assistant Manager & Actuary.
S. C. TWEED, President & Managing Director.
Head Office - WATERLOO, ONT.

INSURANCE AND REAL ESTATE

MANUFACTURERS' LIFE COMPLETES A RECORD YEAR

Profits By Unprecedented Demand for Life Insurance

OUTSTANDING PERIOD

Volume of Insurance in Force Increased by $39,371,180—Company Raises Interest Rate on Investments

A year of outstanding development was experienced by the Manufacturers Life Insurance Company during 1920. The annual report recently issued indicates that this company has profited in large measure by the unprecedented demand for life insurance from all sources during the period following the war.

All previous records for the new business were broken, the new insurance written during the year reaching a total of $52,268,849, against $40,171,220, or a gain of $12,097,629. The amount of insurance in force on December 31 last was $178,757,911, against $139,386,731. The gain in insurance in force of $39,371,180 also established a high record. The payments to policyholders amounted to $2,614,729, and death claims paid, while amounting to $1,001,048, were favorable, being only 51 per cent. of those expected. It is pointed out in the report that this low rate is partially due to the large volume of recently selected business.

The report shows a large increase in gross revenue, the premium income standing at $6,775,919, compared with $5,477,557, and the income from interests and dividends amounted to $1,699,978, bringing the total income for the year up to $8,630,545, as compared with $7,085,135, or an increase of $1,545,410. President W. G. Gooderham, in his report, points out that the opportunity of investing funds in high grade securities and of lending on mortgages at attractive rates of interest had been taken full advantage of with the result that the rate of interest earned on entire assets of the company during the year had been increased to 6.62 per cent. Of the total invested assets of the company over 95 per cent. consist of government and municipal bonds, first mortgages on real estate, loans on policies, and cash on hand and in banks. The assets increased during the year by $3,865,280, and now amount to $33,220,910.

The balance sheet shows that the assets are made up as follows: government, municipal, school, and rural telephone bonds, $13,402,395; railway and other bonds and stock, $1,295,262; first mortgages on real estate, $12,087,059; loans on policies, $4,125,966; real estate, $28,693, interest due and accrued, $1,057,729, and cash on hand and in banks, $296,503.

The policy and annuity reserves have been increased by $3,450,800, and amount to $28,121,625. In addition to paying the sum of $408,598 as dividends to policyholders, during the year the further sum of $881,805 has been set aside as dividends by the directors payable to policyholders in 1921 and future years. After providing for these items and maintaining a contingent reserve of $300,000, the surplus amounts to $2,536,341.

THE HOUSING SHORTAGE

Big Decrease in Permits Between 1917 and 1920

E. T. Trigg, chairman of Industrial Relations Committee, Philadelphia Chamber of Commerce, said at the recent housing conference of the Chambers of Commerce of United States that diligent search, nation-wide, has failed to reveal any dependable information as to the extent of national housing shortage. In certain cities more or less thorough investigations of existing shortages have been made. Aggregates of permits for building issued by various communities does not reflect actual construction completed, especially during the past several years, as during that time many permits have been granted for buildings not yet constructed.

For four years from 1917 to 1920, inclusive, average annual permits issued for same type of dwellings in certain cities referred to was 14,000, indicating an annual average for the country of approximately 230,000, a decrease in permits issued of 170,000 annually.

NORTH AMERICAN LIFE

Announce Several Important Transfers Within Organization

The North American Life Assurance Company announce several new appointments in connection with their various branch offices throughout Canada. H. D. Bell, for the past six years city manager at Winnipeg, has been appointed to the position of district manager of that branch. A. R. Piper, of the Moose Jaw agency, becomes district manager of the Regina office. Following the resignation of W. S. Newman, of Moose Jaw, E. H. N. Bowse of that agency has been appointed Mr. Newman's successor as district manager.

A new district office has been opened at Owen Sound with S. J. N. Gazier, a former inspector, receiving the appointment as district manager. The position of city manager at St. John, N.B., which has been vacant for some time, has been filled by W. K. Tibert.

WESTERN EMPIRE LIFE IMPROVES POSITION

Insurance in Force Advances Over $5,000,000 Mark During Past Year

Living up to the prediction in these columns a year ago that the amount of insurance carried with the Western Empire Life Assurance Company, with head office at Winnipeg, would advance during the year over the $5,000,000 mark, the annual report covering the company's activities during 1920 shows total insurance in force amounting to $5,481,463, compared with $4,701,963 for the previous year. The company was favored by the unusual conditions existing in the life insurance field, and the unprecedented demand for life insurance that was maintained throughout the greater part of the year, and shows very substantial improvement in all departments.

Perhaps the most significant feature of the report as indicating the degree of success attained by this company is the statement that during the year dividends at the rate of 6 per cent. were paid to shareholders, and dividends to policyholders during 1921 would be upon the same generous scale as heretofore. Cash received from premiums, less re-insurance, totalled $130,759 during the year, cash from interest amounted to $27,530, and all other income $91,224, bringing the total income up to $249,514. From this there was applied $82,720 to meet general expenses, and $26,883 to policyholders.

The company's assets at the close of the year totalled $653,116, while liabilities, exclusive of capital, amounted to $383,000. The company now carries a surplus to policyholders of $270,115, and securities deposited with the provincial governments total $168,530.

SASKATCHEWAN LIFE

Makes Progress During Past Year—Expenses Less

REGINA.—Evidence of a steady and substantial growth on the part of the Saskatchewan Life Insurance Company is revealed in the annual statement just issued, dealing with the company's operations during the year 1920. Total net receipts for the year were $149,662 compared with $140,819 for the previous year, payments to policyholders and heirs amounted to $16.542, against $33,944. The actaul mortality rate experienced was 54 per cent. of the expected. During the year 346 policies for $842,534 were issued, bringing the insurance in force for 1,890 policies at the end of the year up to $4,026,823 as compared with the total of $3,753,876 for the previous year.

The total assets of the company amount to $403,309, of which $332,964 are in real estate mortgages, and bonds and debentures owned outright. After providing for all liabilities to the public, paid up capital of $100,000, and a special or contingency reserve of $10,000, there remained a further surplus of $24,309.

In connection with the decline in insurance issued during the year, the figures being $842,534 as compared with $1,274,288 for the previous period, the explanation is offered by President C. W. Willoughby that the decrease was due to the very severe winter weather, damage to growing crops, and decreased value of all farm products. Expenses of management were, however, $11,000 less than the previous year and may be said to offset the decrease in new business written.

DOMINION LIFE SURPASSES ALL FORMER RECORDS

A New Insurance Carried With This Company Increases by 38 Per Cent.

STRONG POSITION

More Than $45,000,000 Insurance—Experiences Favorable Mortality Rate—Gross Assets Increase

The year recently closed has been without exception the best in the history of the Dominion Life Assurance Company. The annual report just issued shows a large percentage of increases in all departments and indicates in some measure the high regard entertained for this particular company. The past year has been an outstanding one from the standpoint of the life insurance companies, but the fact that in the majority of cases the record of the previous year, also a period of unusual activity, is surpassed by a large margin indicates the business efficiency and aggressiveness of Canadian life insurance companies in general.

The annual statement of the Dominion Life shows that policies issued and revived during the year amounted to $16,734,967, which figure compares with the total of $12,140,884 for the previous year, and represents an increase of 38 per cent. Within the same period the total business in force has advanced to $45,348,883 from $35,472,313, or a gain of 28 per cent.

Net Premium Up

The total net premium for the year at $1,879,880 compares with $1,571,495 for the previous year, and is made up by net premium income $1,480,183, and interest an rents $399,094. The premium income exceeded the million-dollar mark for the first time in 1919, and the figures for 1918 were $880,000, and for 1917 $700,000. From last year's income the sum of $548,440 was paid out to policyholders; $213,684 was disbursed in death claims as compared with $216,076 for the previous year, and $289,606 for 1918. It will be seen from these returns that this company has enjoyed a very satisfactory mortality experience during the past year, which is the more favorable when consideration is given to the extent of the growth of the insurance carried with this company as compared with the year 1918. Dividends to shareholders, amounting to $25,600, and general expenses, accounted for the sum of $601,872. There was a balance from the year's operations after all payments had been met of $703,967, which is a distinct improvement over the balance at the close of 1919 amounting to $421,750.

The company's gross assets have increased by 12 per cent. and now stand at $6,167,935 compared with $5,464,457. Reserves show substantial increase from $4,497,788 to $5,240,657. Assets include investments in debentures and government bonds, $1,940,300; mortgages, $2,744,647; real estate, $603,352; loans on policies, $347,211, and cash in office and banks, $107,641.

REVISE ASSESSMENT

Regina Boosts Inside Properties for 1921 Taxes

By Resident Representative.

REGINA.—This city's total assessment for all purposes in 1921 will be more than $42,000,000, according to the estimate of R. J. Westgate, city assessor. Considerable reductions have been made by the assessment board this year on "outside" property, but there will be an increase in the assessment of "inside" business property which will about even up with the reductions. This year there are 1,940 persons on the rolls to whom assessment notices are being sent out for income taxes. There are 1,011 being assessed for business tax.

The total tax collection for Regina in 1920 was $1,659,764 as compared with $1,631,955 for 1919. Of the total $1,364,312 comprised the amount paid on 1920 taxes and with the exception of $22,103 the balance consisted of arrears. Some of the arrears went back to the year 1913.

TO ERECT HOUSES IN REGINA

REGINA.—A company, financed in Minneapolis, and aided by a Minneapolis bank, is proposing to erect 200 houses in Regina this year.

FACTORY
Adelaide Street frontage 52 feet; Lombard Street frontage 78 feet; depth through 181 feet. Solid brick mill constructed factory, three floors contain nineteen thousand square feet especially suited for heavy machinery. Possession and terms arranged.
$85,000
ROBINS LIMITED
Kent Building. Adelaide 3200
Members Toronto Real Estate Board

A 10% INVESTMENT
CANADIAN CAR & FOUNDRY
6%
SEVEN YEAR NOTES
NOW selling at a price to return 10%.
The average earnings of the Company in the past three years after all prior deductions were equal to over fifteen times the interest on this issue.
There are outstanding behind the 6% Notes $7,500,000 of Preferred Stock and $4,975,000 of Common.
Write for Particulars.
McCuaig Bros. & Co.
Members of the Montreal Stock Exchange
Cor. Notre Dame & St. Francois Xavier Sts.
MONTREAL

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets Over - - - $8,000,000.00
Losses Paid Since Organization - - - $77,000,000.00
BOARD OF DIRECTORS: W. B. Meikle, President; Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Miller Lash, Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance
HEAD OFFICE - - TORONTO
BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Sir John Aird, Robt. Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Miller Lash, Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets over - - $4,300,000.00
Losses Paid Since Organization, over - $47,000,000.00

The Western Empire
Fire Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man.
Men of proven ability would do well to write for particulars of the Agency Contract the Company is prepared to offer. Several District Managers required to cover exclusive good territory at a number of Western points.
Branch Offices:
Saskatoon Calgary Vancouver
WILLIAM SMITH, Managing Director

THE NORTH EMPIRE
FIRE INSURANCE CO.
Head Office - WINNIPEG
Toronto Office. 218 Confederation Life Building
J. E. [illegible], Manager
Thompson, Dale & Power, Ltd., Toronto City Representatives
Fess & Smith, Ltd., Winnipeg, Western General Agents
W. Mayne McCombe, Montreal, General Agent
(Policies guaranteed by the London Guarantee and Accident Co., Ltd.)

Your Interests in Alberta
Appoint this firm your adviser and agent in connection with Western real estate, industrial and commercial locations, investments, etc.
TOOLE, PEET & CO., Limited
Financial Agents
CALGARY ALBERTA

BACK TO THE FARM

REGINA.—Regina's unemployed are being sent to the farms or are given bush work. Over 150 were given this employment last week. If the applicants are in a position to leave the city and decline the offer, they are refused help.

It is announced that the Standard Oil Company is to cut wages of all employees in all parts of the United States in which it operates by 10 per cent. The reduction will be effective by the withdrawad of the second of the two ten per cent. bonuses granted during the war.

A Business Man's Bond

A thoroughly seasoned Gold Bond, payable in Sterling. Operating valuable franchises in City of Montreal and suburbs.

At a price to yield, in Canadian funds, over

8½%

Only a limited supply. Write or wire for particulars.

Truax, Higgins Co.
Investment Bankers
17 St. John St. Main 3618
Montreal

Foresighted Investment

Let us advise you as to the peculiar advantages of long-term Provincial bonds—especially at the present time.

Security—then Profit

A. ANGUS MACDONALD & CO.
C.P.R. BLDG. TORONTO

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid-up Capital Stock of this Institution, has been declared for the current quarter, payable on and after Tuesday, the FIRST DAY OF MARCH next, to Shareholders of record of 31st January, 1921.

By order of the Board,
FREDERICK WILLIAMS-TAYLOR,
General Manager.
Montreal, 21st January, 1921.

The Royal Bank of Canada

DIVIDEND NO. 134

NOTICE is hereby given that a Dividend of Three Per Cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Tuesday the first day of March next, to shareholders of record at the close of business on the 15th day of February.

By order of the Board,
C. E. NEILL,
General Manager.

Montreal, Que., January 14, 1921.

THE BANK OF TORONTO

DIVIDEND NO. 158

NOTICE is hereby given that a **Dividend of Three Per Cent.** for the current quarter, being at the rate of **Twelve Per Cent. per annum**, upon the Paid-up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its Branches on and after the **first day of March next** to Shareholders of record at the close of business on the 9th day of February next.

By Order of the Board.
THOS. F. HOW,
General Manager.

The Bank of Toronto, Toronto,
January 26th, 1921.

Wayagamack Pulp & Paper Company, Limited

DIVIDEND NO. 5.

NOTICE is hereby given that a dividend of ONE AND ONE-HALF (1½%) per cent. has been declared on the Capital Stock of the Company for the Quarter ending 28th February, 1921, payable 1st of March, 1921, to Shareholders of record at the close of business on the 15th February, 1921.

By Order of the Board.
E. L. WILSON.
Secretary.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 136

NOTICE is hereby given that a dividend of Three per cent., upon the capital stock of this Bank, being at the rate of twelve per cent. per annum, has been declared for the quarter ending 28th February next, and that the same will be payable at the Bank and its Branches on and after Tuesday, 1st March, 1921, to shareholders of record at the close of business on the 13th day of February, 1921.

By Order of the Board.
JOHN AIRD,
General Manager.
Toronto, 21st January, 1921.

$101,891,266 IN NEW BUSINESS FOR THE SUN LIFE CO.

While Insurance in Force Now Amounts to $486,641,235

A RECORD YEAR

Best Record in Fifty Years—Favorable Investment Opportunities Develop Policyholders' Profit

Shareholders and policyholders of the Sun Life Assurance Company of Canada will regard with satisfaction the condition of the company's business as outlined in the annual report. In common with practically every life insurance company in Canada the Sun Life has profited by the increased demand for life insurance that was well maintained throughout the past year, and new records have in consequence been established. Just what the prospects for larger business this year are it is difficult to determine at the present moment, when business is displaying uncertain tendencies, but reports so far do not indicate that there has been any marked falling off in the volume of insurance being written as compared with last year.

The total amount of insurance in force with the Sun Life Company at the close of the year was $486,641,235 compared with $416,358,462 for the previous year, representing a net gain of $70,282,773, while the policies on the books number 249,482, which represents an advance of 25,860 over the previous year.

The applications for new insurance were 44,478, for $121,444,273, an increase of $21,107,425. Of these applications 39,796 new policies were actually issued and paid for, to the amount of $106,891,266, including $9,015,728 under the group insurance plan. President T. B. Macaulay, in his report, intimates that this large increase is evidence of the high quality of the company's business.

The total income from premiums, interest and other sources was $28,751,578, exceeding the total for the previous year by $3,047,377. Since the organization of this company the sum of $102,187,934 has been paid to policyholders or their beneficiaries for death claims, matured endowments, profits, etc., $10,960,402 having been paid during the past year.

Balance Sheet

The company's assets now total $114,839,444, being an increase of $9,127,976. The sum of $1,615,645 was distributed to policyholders as profits, leaving a net surplus of $8,364,667 over all liabilities and capital stock, after providing for shrinkage in the values of bonds and other securities. The report points out that the past year has been unusually favorable for investment in the choicest kinds of long-term securities, yielding high rates of interest, and the management had taken advantage of this situation to as great an extent as the resources of the company and commitments would permit. The list of investments is made up as follows: Bonds, government, municipal and railway, carried out at market value, $11,635,387; other stocks, market value, $3,994,405; loans on real estate, first mortgage, $7,634,427, and loans on company's policies, $13,436,208.

At the annual meeting which was held in Montreal on Tuesday last the shareholders were asked to approve the new issue of capital stock to the amount of $1,000,000, on which 35 per cent. would be paid, thereby bringing the capital of the company up to $2,000,000 subscribed with $850,000 paid. All the directors were reelected.

EQUITABLE SECURITIES, LTD.

Incorporated to Carry on Real Estate Business in Winnipeg

WINNIPEG.—The Equitable Securities, Limited, recently incorporated, will carry on a general real estate business here. This company has taken over the entire real estate and holdings of the Equitable Trust Company for a consideration of $235,000. The incorporators of the new company are E. E. Hall, president Dominion Loan & Securities, Limited; Arthur Congdon, president of Congdon & Marsh; J. T. Haig, M.L.A.; W. R. Riley, president of Western Grocers, Limited; F. S. Hartsone, of Hartsone Coal Company, Limited; W. L. Parish, of Parish & Heinbecker, and Dr. W. J. Hutchinson. The officers are E. E. Hall, president; Arthur Congdon and J. T. Haig, M.L.A., vice-presidents. O. S. Clifstad, secretary, and C. H. Parker manager.

TO WRITE AUTO POLICIES

Merchants Casualty of Winnipeg Entering New Field

MONTREAL.—The Merchants Casualty of Winnipeg, which has operated in the accident and health field for a number of years, throughout the Dominion and Newfoundland, has recently obtained a Dominion license to write all forms of automobile policies. Captain R. C. Sanborn, who has played a large part in the promotion of the Zenith Companies, the parent company of the Merchants, has been appointed general agent and adjuster for the automobile department in Eastern Canada, including Ontario, Quebec, the Maritimes and Newfoundland, with headquarters in Montreal.

NEW BRUNSWICK REVENUE CLIMBS OVER $3,000,000

Every Item in Income Account Shows Increase

By Resident Representative.

ST. JOHN.—The annual financial statement of the New Brunswick government, covering the fiscal year ending October 31, 1920, just issued, shows that the provincial revenues have passed the three million mark. They totalled $3,100,548. The principal increase was in the territorial revenues, these increasing from $860,750 in 1919 to $1,589,539 in 1920. Stumpage fees obtained from lumber cut on the Crown lands were $1,292,843, as compared with $575,617. This, however, does not mean that the cut was increased more than twice, for the stumpage rates in the intervals were increased.

Current expenditures were largely increased, being $3,000,548, giving an apparent surplus of $96,348 on current account. But the auditors point out that these figures do not include the interest on the bonds and other indebtedness of the St. John and Quebec Railway. This amounted for the year to $311,903, less the province's share of railway earnings, $59,052, making the net charge against the railway $252,351. This amount is carried into the balance sheet "as a deficit on current accounts." When those interest charges are taken into account, there is a current deficit of $1,156,002. New Brunswick receives a subsidy from the Dominion Government of $637,976, and other sources of income for the year, compared with the previous year were:

	1919	1920
Total territorial revenue.$	860,750	$1,589,539
Stumpage	575,617	1,292,843
Game licenses, fines, etc.	53,309	58,957
Taxes incorporated companies	77,483	164,386
Amusement taxes	115,582	198,111
Succession duties	75,198	90,840

Under the head of current expenditures are the following items:

	1919	1920
Agriculture .$	80,498	$ 83,243
Interest (other than St. John & Quebec Ry.)	531,300	648,040
Executive Government	59,249	65,758
Education	291,269	318,697
Vocational education	4,755	25,285
Forest service	137,346	175,347
Public health	37,341	48,709
Provincial hospital	151,949	172,433
Public works	727,934	811,810

GERMANS IN SOUTH AMERICA

Cut Under American Prices for Hardware and Other Lines

WASHINGTON.—According to reports received by the Department of Commerce from Argentina, German competition in that country is making itself increasingly felt. Hardware competition, however, will not be very strong for some time, the reports declare, although the prices asked are much lower than those for American goods, 15 or 30 per cent. in some cases. German prices on machine tools are also much lower than those for similar agricultural articles.

An example of this underbidding by German firms is evident in a recent case involving 10,000 car wheels for a state railroad.

The lowest American bid was $45.50 each, c.i.f. Santa Fe, whereas the bid offered by the German firm (Krupp) was $18.31 each, c.i.f. Buenos Aires.

Commercial Attache Jackson at Mexico City has also reported that German manufacturers are making a determined effort to recover their market in Mexico, while Trade Commissioner Waters states that quotations on German hardware are 25 per cent. lower than on American.

Returns now available indicate that 1,189 new enterprises with authorized capital of $100,000 or over were incorporated under laws of the principal United States during January, representing grand total of $1,243,460,200. In corresponding period a year ago 1,491 charters were filed, involving aggregate of $2,280,460,600.

$25,745,826 IS NOW CARRIED BY CROWN LIFE CO.

Company Reports Substantial Progress During The Past Year

CONSERVATIVE POLICY

An Increase of $1,000,000 in Applications for New Insurance—Cash Premium Income Advances

The report of the directors of the Crown Life Insurance Company which was submitted to shareholders at the company's annual meeting in Toronto on Monday last was favorable in every way, and showed that substantial growth had been experienced in the company's business during the past year. President G. T. Somers in the report points out that the company has continued its conservative methods as regards the writing of new business, and has carefully avoided the expending of large sums for the opening of new agencies. Applications for new insurance during the year amounted to the sum of $7,153,834, which was approximately $1,000,000 more than the total applications for 1919. The amount of policies actually issued was $6,832,325, and after deducting cancellations of every kind the net gain of insurance in force was $4,407,487, bringing the total at the end of the year up to $25,745,826.

The cash premium income was $896,302, out of which premiums were paid for reinsurance in other companies of $47,726, leaving a net premium income of $848,576, which was increased by miscellaneous items to $849,160. The average premium paid in cash per $1,000 was $38.10, indicating the high type of insurance contract which this company holds.

The assets have increased from $2,871,714 to $3,389,960. The president points out that the investment of these funds has been confined exclusively to Dominion and provincial government and municipal bonds and debentures. All these securities, he adds, have been purchased at prices far below any which have ever before obtained, or are ever likely to obtain again in the Dominion. The interest rate earned by the company's funds was 6 per cent. and if profits incidental to the sale of securities are included this rate is increased to 6.69 per cent.

Policyholders' Reserve

The total cash receipts for the year amounted to $1,030,614. Death claims paid in cash, less reinsurance from other companies, amounted to $126,455. The mortality experience of the company was quite favorable, amounting to only 49 per cent. of expected. The policyholders' reserve has been increased from $2,650,323 at the end of 1919 to $3,159,136 at the end of 1920. In addition there were cash payments to policyholders of $215,816, and the policyholders' surplus, including dividends held on behalf of the policyholders, has been increased by $47,275, making a total amount paid to or placed to the credit of policyholders of $771,915, which is about 91 per cent. of the actual premiums received.

President Somers offers the following comment upon conditions:

> The outlook for the present year is very bright indeed. It will be necessary for us to put forth a little extra effort in order to increase the amount of new business written over the past two bumper years, but I am confident that our company will have no difficulty in placing on the books as substantial a volume of new assurances as we can comfortably provide reserves for out of current income.
>
> We are making a special effort to warn our policyholders against the danger of dropping their life insurance protection during these times when incomes are likely to be somewhat contracted. It is always a great mistake for a policyholder to encumber his policy with a loan or a premium note or any kind of debt, if he can possibly avoid doing so. An encumbered policy is more expensive to carry than a policy free of debt, and the temptation to lapse it is always stronger.

USE WOOD PIPE

Regina-Moose Jaw Water Project Being Worked Out

By Resident Representative.

REGINA.—That the Saskatchewan River Commission had decided on a continuous wood stave pipe line for the construction of a gigantic water supply system for Moose Jaw and Regina at a cost of about $6,000,000 instead of a steel or iron pipe line was the statement made by Chairman McPherson of the commission. At this price a supply of seven or eight million gallons of water daily will be obtained. The length of the line from Riverhurst, Sask., will be in the neighborhood of 200 miles.

Daily *Two Pence*

THE FINANCIAL NEWS
THE INVESTOR'S VADE MECUM

In addition to the daily editorial features which have rendered "THE FINANCIAL NEWS" indispensable to every up-to-date investor, a continuous series of SPECIAL ARTICLES on

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FOR protection against loss of your Bonds, Deeds, Insurance Policies and other valuable papers, and your personal Jewelry, by fire, theft or other misadventure, a steel Safety Deposit Box in the Vault of The Bank of Toronto is strongly recommended.

The boxes are of different sizes to suit requirements, and the contents are in your absolute possession—no one else can have access to them without your authority and key.

The rental is low, the protection invaluable, and you have freedom from anxiety regarding the safety of your papers.

We Give Service

Thos. F. How
General Manager

THE BANK OF TORONTO
Incorporated 1855

55

If you only knew—

that your good health would continue, even for one day—

that twenty years from now you would be alive and well off—

that your present income would remain secure and always available for you or your family—

You might then plan your affairs accordingly. But to know these things is impossible.

The Only Way

You can, however, anticipate the years, *capitalise* your present health and earning power, and thus make certain of twenty years' progress *now*, by securing in good time our

Home Protection Policy
for $5,000

This plan is the basis of all life insurance.

It provides an "Estate" at the lowest net outlay it is possible to obtain.

Experience has proven that it offers maximum insurance at minimum cost.

The annual outlay is comparatively small, being only a moderate rate per cent on the capital "estate" created, according to age. The average is about 3%.

Even these small payments are reduced by dividends.

Many policyholders in the Canada Life have lived to draw large sums from this form of policy for their own personal use.

Cash values are guaranteed—a fund for emergencies.

A monthly income of $50 is paid if you become totally and permanently disabled before reaching age sixty.

Policy continues in force while any cash value remains, thus preventing lapse and loss of protection.

If it is desired to stop paying premiums any time after the third year, a "paid for" policy is issued for a proportionate amount, on which no further premiums are required.

Remember:

A policy on your life may do much that you intend to do, if you live. It may pay off the mortgage, supply food and clothing for your family, keep the children at school and prevent a forced sale of your other property.

It may be all that is left of your life work—to keep you in comfort in your old age.

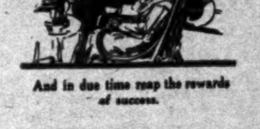
Ask For Particulars

Your Future?

The type of man who protects his home—

Will, as the years pass by—

Find increasing prosperity—



And in due time reap the rewards of success.

Canada Life
Assurance Company
Home Office
TORONTO

FILL UP — CUT OFF — MAIL TODAY
Canada Life Assurance Company,
Dear Sirs,—Without obligation on my part, please send me particulars of your Home Protection Policy
Name
Address
Born day of 18

THE ONTARIO LOAN AND DEBENTURE COMPANY

The Fiftieth Annual General Meeting of the Shareholders of this Company was held on Wednesday afternoon, 9th instant, at the Company's Offices, London, Ontario.

The chair having been taken by the President, Mr. John McClary, the Manager, Mr. A. M. Smart, who acted as Secretary, read the notice calling the meeting and the minutes of the last Annual Meeting, which, upon motion, were confirmed.

The Annual Report was then presented, as follows:

London, Canada, 25th January, 1921.

TO THE SHAREHOLDERS:—

It affords the Directors special pleasure to present their Annual Report for the year 1920—the Company having now completed fifty years of service in its field of activity.

In addition to paying the Shareholders in each of those years Dividends averaging throughout the whole period over 7½% per annum on their Stock, a strong Reserve Fund equal to 128½% of its paid-up Capital has been built up, thus placing your Company in this respect second to none.

Investments in Bonds and Debentures have increased during the past year, but latterly good Mortgage Loans are offered in larger volume at fair rates, and attention is again turning to this class of security. Payments both of interest and principal have been well met and the outlook is favorable.

The earnings have been in excess of those of the previous year, and a Bonus equal to 1% in addition to the usual Dividend was distributed, in all 10% for the year.

After payment of Provincial and Municipal Taxes, Interest, Expenses and Charges, and making provision for possible losses and contingencies, the

Net earnings for the year 1920 are		$279,893.74
Surplus realised from sale of old office building		23,000.00
Balance brought forward from previous year		32,623.71
From this Total available		$335,517.45
Dividends (Quarterly) at the rate of 9% per annum have been paid with bonus 1%	$175,000.00	
Transferred to the Reserve Fund	100,000.00	
		$275,000.00
Balance		$ 60,517.45
Dominion Government Income War Tax		28,864.08
Balance carried forward		$ 31,653.37

The transactions and books of the Company have been subject to exhaustive continuous audit throughout the year, and the Auditors' Certificate is attached to the financial statement which is presented herewith.

Your Directors desire to acknowledge the care and attention devoted to the Company's interests by your valued representatives in Scotland, and also record their entire satisfaction with the manner in which the Officials and Staff have performed their duties.

All of which is respectfully submitted.

JOHN McCLARY, President.

FINANCIAL STATEMENT

31st DECEMBER, 1920

ASSETS.

Office Premises (freehold)	$ 40,000.00
Real Estate held for sale	70,842.07
Mortgages—Principal, $4,501,349.02; Interest, $117,852.90	4,619,201.92
Loans on Company's own Stock	294.56
Loans on other Stocks and Bonds	56,831.34
Securities of United Kingdom, Dominion of Canada and Provinces of Canada	1,088,219.33
Securities of Canadian Municipalities, School Districts and Rural Telephone Debentures	1,008,779.89
Securities guaranteed by Dominion of Canada and Provinces of Canada	643,800.50
Stocks (fully paid)	4,200.00
Cash in Chartered Banks in Great Britain	4,648.09
Cash in Chartered Banks in Canada	181,180.43
	$7,717,498.13

LIABILITIES.

To the Public:—		
Debentures, Sterling, including accrued interest	$1,086,211.72	
Debentures, Currency, including accrued interest	1,518,097.58	
		$2,604,309.30
Deposits		1,037,785.46
		$3,642,094.76
To the Shareholders:—		
Capital Stock Subscribed, $2,550,000.00.		
Capital, fully paid	$1,550,000.00	
Capital, partly paid	200,000.00	
	$1,750,000.00	
Reserve Fund	2,250,000.00	
Dividend payable 3rd January, 1921	43,750.00	
Profit and Loss Account, Balance carried forward	31,653.37	
		$4,075,403.37
		$7,717,498.13

A. M. SMART, Manager.

To the Shareholders of The Ontario Loan and Debenture Company:

We hereby certify that we have audited the books and accounts of The Ontario Loan and Debenture Company continuously throughout the year ended December 31st, 1920, and find them correct and the above statements in accordance therewith. We have verified the Cash and Bank Balances, and have examined the Company's securities and find them in order. All our requirements as Auditors have been complied with, and, in our independent opinion and according to the information and explanations given us, the above statements are properly drawn up and set forth fairly and truly the state of the Company's affairs.

All transactions that have come within our notice have, we believe, been within the powers of the Company.

F. G. JEWELL, F.C.A.,
J. F. KERN, } Auditors.

London, Ontario, 25th January, 1921.

The President, moving the adoption of the Report, said in part:—

With the year 1920 your Company has now passed its fiftieth anniversary, and I am sure the Shareholders will be as gratified as are the Directors at the success that has attended our efforts. Throughout all this time the objects for which it was formed, namely, the promotion of thrift and the development of the community, have been kept constantly in view, rather than the acquisition of excessive profits. Yet in all of these years the Shareholders have received every year a fair return in Dividends on their shares, and your Capital of $1,750,000 has been considerably more than doubled, as shown by the present amount of the Reserve Fund, which now stands at $2,250,000. These facts speak louder than any poor words of mine for the wisdom with which your Company has been conducted.

During the period of the war and the time since peace was declared the nature of our Assets has altered materially. The needs of the Empire have been very great, and your Directors conceived it to be their duty to render assistance in supplying funds by investing considerable sums in the Bonds of the United Kingdom, of the Dominion and the Provinces, even at rates much below the average yield of our other advances. Investments in these Bonds together with Securities fully guaranteed by the Dominion and the Provinces and those of Canadian Municipalities now amount to 1-3 of the Company's total invested assets, whereas in 1914 mortgages on Real Estate made up nearly 95% of the then total. Now that the Dominion Government issues have an open market and the embargo against the return from abroad of Canadian Securities has been raised and the import of all others is absolutely free from interference, their marketable value is established on the logical (if perhaps old-fashioned) foundation of supply and demand.

The coming year seems likely to develop a greater demand for advances upon Real Estate Mortgages at possibly better rates. Rates for this class of service have, I think, shown less increase than any commodity either material or labor, being but little higher than they were in 1914.

While I consider our Company should endeavor to do its share toward overtaking the requirements of this department of the reconstruction activities it will be wise to bear in mind the present inflated cost of building. Cost is not always a true gauge of value. Especially at present it should not be taken as such in making these mortgage loans. I believe the members of the Board fully realize this, and if re-elected, the policy should and will be to face the future with confidence and to proceed with caution.

The Vice-President, Mr. A. M. Smart, in seconding the adoption of the Report, said:—

In seconding the resolution which Mr. McClary has just proposed I would like to say in connection with the new form in which the balance sheet is presented that it is in the form required by the Registrar of Loan Corporations from all similar Companies. This uniformity is a step in the right direction as making it much easier of comparison of the position of one Company with another. With others we are of opinion it might be further improved were the items on the assets side differently grouped and presented in sequence of cash and quickly available securities first, followed by those not so readily convertible into cash, then those of a more fixed and permanent nature. However, we have no option in this.

Some of the Loan Companies, fearing a shortage of supply of money for mortgages, are urging that the limit to which money may be received on Deposit be raised, by amending the Loan and Trust Corporation Act to the end that funds available may be thus augmented. The present limit is fairly reasonable and by it provision is made that in effect moneys which are repayable by the Companies on demand or short notice will not be tied up in long-term mortgages. The so-called safeguard that is suggested is misleading, fallacious and would be, in my opinion, quite ineffective and positively detrimental to the Companies and to the public. The Board of Directors are, for these and other reasons, not in sympathy with the proposal, and trust that wiser counsels may prevail.

Our Securities, Bonds, Debentures, etc., which the President has mentioned as now forming 33% of our invested Assets, amount, with cash on hand at the end of the year, to $2,930,000 and (quite apart from our Mortgage Assets) are equal to about 80% of our total liabilities to the public. The Bonds of the Dominion of Canada have now a definite market value, being quoted and dealt in daily on the Exchanges. They and all other Bonds that are so quoted, have been taken into the balance sheet at not exceeding their market values as on the 31st December last. Against all other Bonds and Debentures, amounts have been reserved to bring them all well within the values authorized by the Government Department in charge of the matter.

Like reservations are also provided as heretofore against Real Estate held for sale, in which item is included all properties in the possession of the Company whether by foreclosure, power of sale or otherwise, with the exception of office premises. Experience in the past has repeatedly proved our former appropriations more than ample.

The office premises item is again reduced to $40,000 which is barely 57% of the assessed value for taxation. This is brought about through the sale of the Agricultural Savings and Loan Company building not required by your Company. The surplus derived from this sale is shown in a separate item apart from the profits, and rightly so, as it is in no sense part of the earnings of the Company. If there is any further information desired by any Shareholder, I shall be glad to furnish it.

The Report was then adopted unanimously.

The Scrutineers were then appointed and the election of Directors proceeded with, Messrs. John McClary, A. M. Smart, Lieut.-Col. William M. Gartshore, John M. Dillon, M, Masuret, C. R. Somerville, and J. G. Richter being re-elected for the ensuing year.

It was moved by Mr. A. B. Greer, seconded by Prof. Bowman, that Messrs. Frank G. Jewell, C.A., and John F. Kern be and are hereby re-elected Auditors of the Company. Carried.

The meeting then adjourned, and at a meeting of the Board of Directors held subsequently Mr. John McClary was re-elected President, and Mr. A. M. Smart, Vice-President of the Company.

BRITISH LABOR AND CAPITAL SERIOUS CLASH

Largely a Political Problem Says Claude G. Bryan

COAL EXPORTS DECLINE

Reduction of Debt and Trade Balance Improvement Indicate Position of Strength

That the crux of the industrial situation in Great Britain lies in the difference of opinion and policy between capital and labor is the opinion of Mr. Claude G. Bryan, who visited Toronto recently. Mr. Bryan, a Canadian by birth and education, who is chairman or director of nearly a dozen large British corporations, and also of the Canada Steamships, Limited, and Prudential Trust Company, is in a favorable position to observe the effect of the labor agitation on the industry of the country. Troublesome and dramatic as the Irish situation is, Mr. Bryan believes that the industrial and labor unrest in England is a problem even more difficult to solve, and containing more elements of danger. Mr. Bryan stated in part:

> The unreasoning position taken by British labor leaders constitutes, in my opinion, practically the only obstacle to the rapid rehabilitation of British industries, and the development of commerce, which would put England back in her old position of commanding the money market and shipping interests of the world.
>
> It is with much satisfaction, as a Canadian, that I observe that the labor element on this continent appears to realize the urgency of the situation and to be actuated by a desire to meet the industrial problems half way. It is with equal regret that I am unable to observe a similar spirit on the part of the British workmen. Approximately speaking, 80 per cent. of British labor is thoroughly organized and unionized, while with the exception perhaps of the building trades in America, the proportion of union labor to open shops is probably not more than 20 per cent.
>
> While we in England have not been faced with the one big union movement, we have come so perilously near thereto that there is little difference. What is perhaps more dangerous and troublesome is the political power which labor unions have been able to exercise in the government of the country. A government which is drifting towards the "group" or "block" system, much along the line of European legislative bodies.
>
> Naturally the labor question, so vital to the very life of the country, is being given the consideration of the best brains. While at present the prospects are not any too promising, the success with which the government is meeting its financial obligations, and striving to reduce its national debt, emphasize the sterling and basic solidarity of the Empire. According to recent government statistics, the excess of imports into Great Britain over the exports, has been reduced approximately 50 per cent. Though I am bound to say, in this regard, that the improvement is to a considerable extent due to re-exports and not wholly to the industrial production of the country.
>
> **Result of Coal Strike**
>
> One of the most regrettable reversals of trade, however, is noticeable in the British coal export. The recent strike in which the miners secured at least partial granting of their demands, has resulted very largely in the loss of England's export coal trade. Previous to the strike the profit on coal exports amounted to approximately eighty million pounds sterling per year. This revenue being received by the government had the double effect of reducing taxation and lessening the cost of coal to the British consumer. Consequently the loss of these markets must rebound in the raising of taxation and increased cost of coal for domestic consumption.
>
> Inasmuch as all of England's important industries are based on the cost of coal, it is evident that little, if any, reduction in production cost can be expected. Belgium steel mills are now delivering steel in England, at some twenty or thirty dollars per ton less than the English market price. To meet this competition the British East Coast Mills recently reduced their price by some $15 per ton. Even in face of these facts and figures, the leaders of the labor party are relentless in their demand, that any reduction or loss must be borne by the capitalist and that the present scale of wages must be maintained. The action of American labor in voluntarily accepting wage reductions from 10 to 25 per cent. is in direct contrast to the position taken by British labor.
>
> **British Progress and Irish Situation**
>
> Right through all lines of industry ship building, steel, architectural construction, etc., these same conditions prevail. Production is falling off, although the demand for the goods remains. It is, therefore, obvious to the most casual observer that the safety of the country depends upon the satisfactory solution of these problems. While the seriousness of the situation is evident, we are nevertheless optimistic as to the ultimate future. The improvement in Great Britain's export trade; the rising rate of sterling exchange, and the payment by the government of its war debt, all indicate basic and fundamental strength. Just how long the present difficulties can continue, it is hard to say, but that their ultimate solution can come only from a broad minded action on the part of labor, is clearly evident. Up to the present broad minds in labor seem hard to find.

Mr. Bryan spoke most enthusiastically of Sir Hamar Greenwood and his handling of the Irish situation. The handling of this problem in his opinion was, up to Sir Hamar's acceptance of the post, largely spineless and without direction or purpose. Sir Hamar embarked upon his duties, which are in themselves hazardous, with a fortitude and resolution that is highly commendable and reflects a credit upon Canada. Sir Hamar is considered in some quarters to be somewhat ruthless, but it is argued that any other system would be ineffective under existing conditions. The situation seems to have changed slightly since the passing of the Home Rule bill, and the appointment of Sir James Craig as leader of the Ulster Parliament in succession to Sir Edward Carson. The north has accepted Home Rule and the Ulster Parliament is now being constituted. The ground is in this way practically cut from under the Sinn Fein movement. They are met with the accomplished fact of a Parliament in Ulster, and the acceptance by the British House of the principle of Home Rule, which thus leaves the problem for solution as between themselves.

Excess Profits Tax Removed

Since Mr. Bryan sailed from England, announcement has been received to the effect that Mr. Austen Chamberlain has rescinded the excess profits duties. Questioned as to his views on this subject, Mr. Bryan pointed out that the British excess profits tax was a two-edged sword in the hands of the Government. Under some conditions, certain British manufacturers, whose business recorded a loss during the year, were entitled to refunds from the Government out of previous excess profits taxes paid. The abandoning, therefore, of this method of taxation, means less an acknowledgment of its impracticability and burden upon industry than an appreciation on the Government's part of its uselessness from the standpoint of raising or producing revenue.

LEGISLATION PASSED TO ORDER OF HYDRO COMMISSION

Continued from page 1

Adam Beck and the Attorney-General. Mr. Weaver considered that the latter as a provincial officer should have been seized of the fact that provincial moneys were evidently being diverted to other purposes than for which they were allotted.

Various other evidence of similar diversions was advanced, reference being made to pages 16 and 17 of the Clarkson report of 1919 giving a list of appropriations by the Government amounting to $4,771,500 while the expenditures by the commission for these various purposes amounted to $2,503,140. The report also says that during the year ending in 1919 there remained in the hands of the commission balances totalling $3,063,037 after expending moneys appropriated by the province for specific purposes for which they were voted; these were expenditures on certain systems in excess of the appropriations therefor.

THE
MANUFACTURERS LIFE
INSURANCE COMPANY
HEAD OFFICE, TORONTO, CANADA
1920

SALIENT FEATURES OF MOST OUTSTANDING YEAR IN COMPANY'S HISTORY.

Insurance in Force	$178,757,911	Increase over 1919	$39,371,180
Insurance Issued	52,268,849	" " "	12,097,629
Assets	33,220,910	" " "	3,865,280
Policy and Annuity Reserves	28,121,625	" " "	3,450,800
Income	8,630,545	" " "	1,545,410

The Company's investments during 1920 consisted of Government Bonds and First Mortgages on improved property.

The income from interest and dividends amounted to $1,699,978. The average rate of interest earned was 6.62%.

As in previous years, our mortality was again extremely favorable. The total mortality was only fifty-one per cent. of the expected.

Write for copy of Annual Report.

"THE MOUNT ROYAL"

Hotel Business Has Become An Industry

During the past few years there has been a complete change in the hotel business.

To-day it is operated on a basis which gives it many of the aspects of a large industry.

Many of the hotels are operated on the circuit plan, under one direct management and operation. In this way the undertakings become self-contained throughout.

It is on this account that such securities are now considered very attractive by the most careful investors.

We recommend the 8% Convertible Debentures of THE MOUNT ROYAL HOTEL COMPANY which we are at present offering to our clients. The issue carries with it a BONUS OF 40% COMMON STOCK.

Circular and full particulars on request.

N. A. MacDONALD AND CO.
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112 Union Bank Bldg.
OTTAWA

Super-Quality!
PLAYER'S
NAVY CUT
CIGARETTES
"Beautifully cool and sweet smoking"
18¢ per package two for 35¢
Enjoy them to-day

CRITICISM OF OPERATION BY GOVERNMENT

Railroad Results Not Regarded as Satisfactory at Ottawa

THE G.T. ARBITRATION

Ruling Against Shareholders as To Replacement Valuation Basis—Status of the Preferred Stock

By Resident Representative.

OTTAWA—The progress of the Grand Trunk arbitration at Montreal is naturally being watched with keen interest in government circles. What is regarded as a very pronounced initial triumph for the government attitude was the rejection of expert evidence as to the physical value of the property and the replacement cost. The representatives of the shareholders had made a very minute valuation of the assets on the basis of replacement costs. For some time past correspondence has been going on between the legal representatives of the Grand Trunk and those of holders of the common stock in the Old Country as to what is the position of the stock relatively to the preferred under the purchase agreement. The common stock shareholders have urged that as the preferred stocks had no priority, the award made by the arbitrators should be allotted on the basis that preferred and common stockholders were entitled to rank equally.

The view taken by the company is understood to have been that the company will not go into liquidation, no matter what happens, and its assets will not be distributed, therefore the above argument does not apply to the transfers of stock to the Dominion Government. It is claimed by the company's solicitors that the preferred and common shareholders are entitled to receive a perpetual dividend out of the profits of the company according to a scale fixed by legislation in Great Britain many years ago. Under the agreement, the shareholders are to receive in place of dividends a fixed yearly sum from the Canadian Government (which sum it is the work of the commission now sitting at Montreal to determine), this annuity to be treated as a four per cent. dividend on a new capital to be created on the basis of the valuation of the arbitrators, but there will be no distribution of assets, as some of the English shareholders seem to anticipate.

Meanwhile, the railway question is one which is likely to be considerably discussed in the coming session—unless its life should be summarily cut short, as some anticipate. The impression here is that the $47,000,000 deficit on Government operation of last year will be completely cast in the shade when the statement of the year's operations is presented to parliament, and hints have been let drop that it may be nearer double that sum. Fixed charges have not diminished during the year and operating costs have been heavily increased by the adoption of the award of the United States Railway Labor Board which was retroactive to May last.

Unsatisfactory Operation

Those who have been traveling in the West with the tariff investigators and the different political campaigners claim that Government operation of the railroads is very unsatisfactory and intensely unpopular; and increased rates have not added to the popularity of the system. The Canadian National Railways appear from the statistics issued to have been making a hard push for business and in the handling of two great commodities, wheat and coal, they have shown good increases. Since the crop movement began the Canadian National has handled 34,000,000 bushels more grain than last year and in coal the increase has been nearly half a million tons. Whether this big volume of business has been handled at a satisfactory profit is another question. The chairman of the Railway Board has stated it as his policy to see that rates should be so fixed as to make it possible for the railways to be operated on a basis to pay running expenses and pay a reasonable profit.

During the past few days there has arisen, in connection with the dictum of President Hanna in connection with the participation of railway employees in political contests suggestions that there will arise as the result of the forthcoming statement of the Canadian National system a demand that there shall be a change in management. If the deficit is as large as expected, there will undoubtedly be a strong attack on the system of government ownership of transportation systems. In this connection, too, the statement of the operation of the Government steamships is awaited with interest. The statement given to parliament last year was for so short a period and with so few ships operating that no fair idea could be gained as to the success or otherwise of the operation. In view of the present conditions in the shipping world, with hundreds of ships being laid up both in the United States and in Europe, the Canadian Government Merchant Marine will do well to show any considerable profit.

With regard to the railways, there appears to be a good deal to be said for the suggestion of Mr. Crerar that there should be a revaluation of all our Government railway properties, deducting the difference between the old and the new valuation and adding it to the national debt and giving the railroads a fair start. How difficult it is to conduct government-owned utilities on a business-like basis is shown by the fact that Mr. Crerar himself, at the same time as he made the above proposal, took strong exception to the increase in wheat rates.
—T.M.F.

PORT ARTHUR BUSY GRAIN TRADE GROWS

Shipbuilding Company Completed Two of Largest Vessels Last Year

PORT ARTHUR.—Development of grain handling facilities at the head of the Lakes has been such that while the capacity of private elevators at Port Arthur a year ago was 750,000 bushels, it is now 4,800,000, stated T. N. Andrews, president of the Board of Trade, at the annual meeting.

During 1920 the Port Arthur Shipbuilding Co., Ltd., completed and delivered the two largest ocean freighters ever built by them. They were 320 feet long and of 9,200 tons. During 1921 two vessels, an ocean freighter of 4,000 tons, and a lake steamer of 3,000 tons will be completed.

The development of Port Arthur as a pulp and paper community was stressed by Mr. Andrews.

DEFLATION IN THE STEEL INDUSTRY

Confidence in Steel Corporation Price Level is Fast Diminishing

NEW YORK.—Deflation in the iron and steel market is taking place for the most part behind the scenes. Independents still quote the Steel Corporation level in the majority of instances, but confidence that this level can be maintained is fast diminishing. In some products such as plates and certain grades of sheets it is definitely known that the general market is several dollars below that of the corporation. In most phases of the industry, however, demand of late has not been sufficient to warrant giving serious consideration to lowering quotations. Lower steel prices will of necessity mean lower wages and managers hesitate to commit themselves to policies of drastic wage reduction so long as market stagnation makes it practical to postpone the unpleasant announcements.

Independent steel pipe mills are still operating at a high rate, but unfilled tonnage in this line is fast diminishing.

Many of the foundries making cast iron pipe are practically idle. How long this situation will continue is uncertain. Operators see signs of better business in the near future in the fact that reports are beginning to come in from all parts of the country concerning contemplated municipal development work.

WOOLWORTH'S YEAR

Earned $13.87 on $65,000,000 Common Stock

NEW YORK.—Annual report of F. W. Woolworth Co. for the year ended Dec. 31, 1920, shows surplus after depreciation charges, Federal taxes and preferred dividends of $8,917,751, equivalent to $13.87 a share on the $65,000,000 common stock. This compares with surplus of $8,554,435, or $17.11, on the outstanding $50,000,000 common stock in the previous year.

Financial strength of the Woolworth Co. at the close of the year is probably best indicated by the fact that working capital account amounted to $20,087,901 compared with $19,990,073 at the end of 1919. Unlike other companies current assets of $23,429,889 were not distended by large supplies of inventories inasmuch as the company's merchandise account stood at $18,500,667 on December 31, last, about $1,250,000 larger than the close of 1919. This increase is but normal, to take care of the larger number of stores operating. Current liabilities of $3,341,988 included $2,300,000 of federal tax reserves payable over the current year.

SAY MINING TAX WILL DISCOURAGE OUTSIDE CAPITAL

Proposals of Government Are Opposed in the North

NEW WAGE SCALE

Carried Into Effect Next Week In Cobalt—Silver Mines Are Reporting a Disappointing Year

By Resident Representative.

COBALT.—As might be expected, the proposal of the Ontario Minister of Mines to increase the tax on the mines has met with anything but a favorable reception, either here, at Porcupine, Kirkland Lake or Sudbury. The mining press of the north is particularly strong in opposing the proposal. The objections all centre around one point, that such a change would injure the industry in the confidence of outside capital. One paper says a powerful case is being prepared against the proposal. This cry against any move that might touch outside capital has been an excellent and freely used weapon of the mining industry. It was the case a few months ago when many claims were forfeited for unpaid mining taxes, and again it is being sharpened up for use.

New Wage Scale

Next week the new wage scale in Cobalt will come into effect. It means a straight cut of 75 cents a day for all workers on day wage, or about 15 per cent.

The Chambers Ferland hopes to strike continuation of a high-grade Nipissing vein, which is believed to run into its property. It is working towards the vein now. The Nipissing got 5,000 ounce ore out of its end.

The Ruby Silver mine at North Cobalt is developing into an important silver operation. A shipment of high-grade from development work on a vein is about ready and will bring the vein's production to about 8,000 ounces. This is a promising area, long neglected, chiefly because the holders of claims lacked capital. However, since Cobalt has started to slip new life has come to this district.

The reports on the past year's work at some of the silver mines are bound to prove disappointing.

Peterson Lake, now closed until spring, had a big production year, 100,000 ounces, but the year shows a deficit after exploration costs have been taken care of.

The Crown Reserve is back $72,055 on the year. In 1919 the profits were $5,000 greater than the 1920 loss. Besides its Cobalt holding the company has about 2,000 acres of mining lands, out of which it hopes to get hold of a producer.

The drop in the price of silver was quite a blow to the McKinley-Darragh and the mine's report will likely show a big hole in the company's profits. This company held its silver from June, 1920, on, after the price began to tumble.

A statement sent out by the Nipissing with its dividend checks shows a surplus of $4,921,010. It is generally believed that the report for the year will show a falling off in Nipissing ore reserves. The chief reason for this was the labor shortage earlier in the year and the power shortage during the closing months. It is believed that the report will show a favorable year.

The Dome is proceeding with the development of ore bodies on the lower levels, indicated by diamond drill. It is understood that the expected values are being well realized and an enormous tonnage opened up.

Merger Talk Again

Talk of the merger of the West Dome and Dome Lake is being revived, with bright prospects of going through.

The Herrick, West Shining Tree, has closed until spring.

The Fidelity property, Kirkland Lake, will resume. The shaft is down 300 feet.

Lake Shore's average in December, 1920, was $18.62, the first time in months it has dropped below $20. The total for the month was $34,670.49.

Values said to run better than $30 have been encountered on the Ontario Kirkland. This is a drift on the faulted vein at the 450 foot level.

Two shafts have been started on the Skead Gold Mines and quantities of free gold are being encountered.

Interesting developments on the 500-foot level of the Miller Independence continue. The cross-cut has now reached a length of 530 ft.

THE POWER OF "GAS"

Increasing Use of Automotive Power For Many Purposes

NEW YORK.—Coker F. Clarkson, secretary and general manager of Society of Automotive Engineers, says that at least 8,500,000 automobiles, passenger cars and motor trucks are in greater or less use in United States. There are, in addition, nearly 400,000 farm tractors; more than 1,000,000 stationary engines of internal-combustion engine type; and probably over 200,000 motor boats. These machines consume a large percentage of the 100,000,000 barrels, more or less, of gasoline produced annually, and a large amount of kerosene.

In 1923 there will be in use probably more than 9,000,000 passenger cars; close to 2,000,000 motor trucks; upward of 1,000,000 farm tractors; and more than 1,500,000 stationary engines. This means, without counting aircraft, over 13,000,000 machines of the various types mentioned, if economic and financial balance hoped for is restored soon.

We are not infallible, but—

Danger of errors in judgment is minimized when the judgment of many minds is available. Commit the administration of your estate to the judgments of our board of directors. By appointing this Company as executor under your will you will procure for your heirs the great safeguard of impartial, expert and continuous administration, systematic records and financial responsibility. Write for booklet on wills.

Chartered Trust and Executor Company
46 King Street West, Toronto

HON. W. A. CHARLTON, M.P.
President
W. S. MORDEN, K.C.
Vice-President and Estates Manager
JOHN J. GIBSON
Managing Director

MONARCH LIFE ASSURANCE COMPANY

HEAD OFFICE—WINNIPEG
(Incorporated by Special Act of Dominion Parliament)

SUMMARY OF 1920 RECORD

(Compared with Dominion Government 1919 Figures)

	1920.	Increase.
Assurance—In force	$25,564,980	$5,435,631
New and Revived	8,171,239	761,027
PREMIUMS—Cash	777,510	174,497
ASSETS	1,819,453	473,047
POLICY RESERVE	1,691,225	434,846
AVERAGE NEW POLICY	2,406	288
		Decrease
MORTALITY CLAIMS	58,852	32,156
Percentage of Expected	30%	58% in 1919

INVESTED FUNDS—Bonds and Debentures, 54%; Cash 3%; First Mortgages, 28%; Policy Loans, 13%; Real Estate, 2% (Revenue bearing).

INTEREST—Average rate, 7.60%; previous year, 7.42%; average rate earned by Life Companies, Canadian, 6.19%; American, 4.76%; British, 4.22%.

SURPLUS—Increased $45,412. Expense ratio—further reduced.

COMPARATIVE GROWTH

Year	New Assurance.	Total in Force
1910— 4th	$1,147,980	$ 3,009,746
1912— 6th	2,230,660	5,509,348
1914— 8th	2,301,007	7,427,697
1916—10th	2,947,353	9,007,464
1918—12th	5,198,888	15,171,309
1920—14th	8,171,239	25,564,980

OFFICERS AND DIRECTORS

President—W. A. MATHESON,
Director and General Manager Lake of the Woods Milling Co.
Director Sterling Bank.

Vice-President—F. W. ADAMS.
Vice-President Adams Bros., Wholesale Saddlery.

Managing Director—J. W. W. STEWART.

W. P. RILEY,
President Western Grocers, Ltd.
Director Bank of Hamilton.

W. L. PARRISH,
President Parrish & Heimbecker Grain Co.

H. W. ECHLIN,
President Echlin Mfg. Co

COL. H. A. MULLINS,
Director U.S. Fidelity Co.
Director Royal Canadian Securities Co.

C. E. GORDON,
Gordon, Ironside & Fares.

R. G. IRONSIDE,
Wholesale Stock.

Secretary and Actuary, J. A. MACFARLANE, A.I.A.
Assistant Actuary, C. R. BISSELL, A.A.S.
Treasurer, G. J. TELFER.

OUR MOTTO—SECURITY—SERVICE—SATISFACTION.

Features of 1920 —the Record Year of

THE
Huron & Erie
MORTGAGE CORPORATION

"Older than the Dominion of Canada"

Increase in
Savings Deposits
(withdrawable by check)
$1,488,646.00
Savings Deposits now total $5,543,487

Increase in
Huron & Erie Debentures
(payable in Canada)
$1,395,457.00
These Debentures now total $7,721,586

Increase in
Assets
$2,212,000.00
Assets now total over $22,500,000

Increase in
Reserve Fund
$150,000,00
Paid-up Capital and Reserve now $6,150,000

Toronto Branch Office
The Canada Trust Building,
King Street East, Third Building from Yonge Street
J. M. McWhinney, Manager. R. P. Baker, Investment Manager.

Head Offices: London, Canada
Branch Offices London (three,) Winnipeg, Regina, Edmonton, Windsor, St. Thomas, Chatham

T. G. Meredith, K.C. President Hume Cronyn, General Manager.
M. Aylsworth, Assistant General Manager.

DYE INDUSTRY READJUSTED TO NORMAL STATE

Canada Only Concerned With the Manufacture of Intermediates

THE BRITISH SITUATION

Plants Not Yet in a Position to Meet All Demands, And So Swiss and German Dyes Admitted

The dyestuffs industry acquired a spectacular interest during the war due to excessive production of the "intermediate" for purpose of explosive making. The production of benzol and trinitrotoluol, or T.N.T., as it is more commonly known, caused rapid developments in such Canadian chemical plants as were fitted to produce them, while, to take advantage of the unusually profitable prices offered, a number of concerns commenced operation. The conclusion of hostilities naturally put an end to this business, and the production of "intermediates" again returned to nearly normal, the excess being a temporary amount to replenish exhausted stocks.

A Basic Necessity

Immediate interest in dyestuffs arises not so much from the monetary value of dye making or importing, as from the fact that any serious curtailment of these goods would result in serious handicap to the industries dependent on dyes for finishing goods. These are notably, papers, leathers, textiles and paints. Canadian production of these and many other commodities would cease if for any reason the flow of dyestuffs to the country were cut off. It is therefore that Canadians watch with interest the production of dyes in England, and in the United States, in the government fostered enterprises.

A prominent Canadian dye importer, who, having recently returned from a business trip to England and the Continent is accordingly qualified to express his opinion on the dyestuffs situation, explains that, contrary to general opinion, the British plants are not yet in a position to fill all the demands made upon them. Consequently Swiss and German dyes are admitted and will be urgently required for some years at least. This source of information further remarked:

> "Such dyes as are coming forward for Canadian use are an allotment and further reduction of the British shortage. Without the importation of German dyes, the Canadian market would suffer and the woolen industries in England and Canada would be unable to secure the colors necessary to finish their goods. Consequently the problem is not one of German importations flooding the British market and crippling the Government fostered industry. It is rather a commercial necessity based on an industrial demand and has the support of the Government and business man. This is witnessed by the inclusion in the Treaty of Versailles, of a clause requiring the delivery by Germany of certain quantities of dye stuffs.
>
> "One point of danger, however, I have observed. This is in the large reserve stocks of dyes held in Germany. I have been informed, from the most reliable authorities, that the German Government is retaining large stocks of the highest grade dyes. These constitute a menace to the British and American industry inasmuch as they might, when released on the market, create competitive conditions under which less favorably equipped dye plants could not exist."

Canada's Position

So far as Canada is concerned the problem is one of import only. Canadian dye users are entirely dependent for their supplies on European or American sources. The manufacture of dyes in Canada on a large scale is improbable for many years to come as the available market does not exist. The cost of building and equipping a plant would not be justified until our population increases several fold. The production and export of intermediates has, however, always been a steady business and from the standpoint of a raw material producing country is a normal manufacturing activity. In sympathy with general business conditions dye importations have suffered a decline in volume and agents report a season of unusually slack business. This condition is, however, not without its compensation, as had Canadian consumption been brisk, it is doubtful if quantities could have been secured to fill requirements. At the present moment it cannot be said that volume of actual orders has increased. The importing agents, however, point with satisfaction to the signs of increased production in the paint and leather trades as an indication the general business conditions are on the turn and that a reasonably active spring may be expected.

BOOKLET IN FRENCH

For the French-speaking investor, a very valuable little book has been published by René T. LeClerc, investment banker, of Montreal and Quebec. The book is from the pen of Lt.-Col. H. L. deMartigny, and is entitled "Valeurs Mobilieres." It discusses the elementary differences between stocks and bonds, and indicates the points the investor should look for in each. It is thought this is the first time that a book has been published in this country on this subject in the French language.

CLAIMS OF MAKERS OF CONFECTIONERY

Think Attitude of Finance Department One of Unfair Discrimination

That there was discrimination in the recently rescinded luxury taxes which has had an injurious effect on the confectionery industry is the claim of the manufacturers. They argue that the action of the department in leaving the industry subject to this taxation will result in decreased rather than increased Government revenue.

The manufacturers point out that the imposition of the luxury taxes resulted in a fall of approximately 48 per cent. in the business of some factories, thus indicating restricted trade. The manufacturers made no complaint at that time. When, however, the remission of the taxes officially emphasized this industry as a "Luxury," they argue that unjust discrimination was made.

The fact that the collection of taxation in this industry was simple and doubtless more effective than most other lines of business is believed to be the principal reason for its retention. The confectionery business has been in the hands of a comparatively few factories, who with their modern organizations were able to make proper and complete returns.

NEED FOR BUSINESS MEN AS DIPLOMATS

President Harding Urged to Put Practical Men in Foreign Embassies

By L. AMES BROWN,
In "Forbes' Magazine."

President-elect Harding, it is earnestly to be hoped, will strive to obtain a clear understanding of the requirements of American diplomatic representation in the next four years and then find the best qualified men, omitting all regard for political deserts.

If this be the consummation of the promise already given in Mr. Harding's acts and utterances, it is inevitable that the next administration will see a larger participation by American business men in our diplomatic work. No other type are so well prepared by experience and character to perform the momentous duties now devolving upon America's foreign representatives.

Significant recognition already has been given by the State Department to the economic character of the task of American diplomacy. It is admitted that the reorganization of the department was conceived of better service to American business. It is fortunate that this plan of reorganization has been forked out without a suggestion of partisanship, which opens the way for prompt and frank consideration in Congress, where the appropriations for support of the larger activity must be approved.

"Dollar Diplomacy" was given a sinister implication by political critics in the days when Senator Knox was Secretary of State. However, experience has driven home the lesson that the entire national prosperity is associated with proper consideration of the economic elements which enter into our foreign relations. Popular understanding of the condition and the general acceptance of the facts among public men now seem to have paved the way for businesslike methods in handling the nation's foreign business. Just as winning the war made big demands upon the abilities of our public men, so the diplomatic job of holding our own in international readjustment creates a call for their services.

The foreign market, like the domestic market, has shifted from a seller's to a buyer's market. Gone are the days when ocean transportation was the only restraint upon sales to the foreign consumer. Instead, there is an unremiting demand for the highest and most constructive form of salesmanship to create the market by enabling the consumer to pay. It has been done time and time again in the domestic market, and the men who have succeeded at home are most likely to prove competent abroad. Diplomacy has become a task of constructive salesmanship.

The American business man is also the most successful collector of bad debts in the world, and the American government has on hand right now a vast store of securities, not all of which are gilt edge. The job of collecting these bills is not the merciless one of the bill collector, but one requiring vision, benevolence and application to mutual interests. Diplomacy has also become the job of the experienced and far-sighted creditor.

A third exaction to be placed upon our diplomats is that they must be keen prospectors of business opportunities. Here, again, the demonstrated excellence of American business men challenges comparison. The man who packs his bag and hurries off to South America to make arrangements for the vanadium supply, or he who has been keen to scent the unfolding possibilities of Colombian and Mexican oil fields or the tobacco market in China, will not be slow to note the evidences of national economic advantages which the winds are blowing from many corners of the world to-day.

Men who have refinanced and reorganized unsuccessful corporations, who have developed new markets and new sources of supply will, as diplomats, draw advantages at a hundred points from their training and experience which would not be available to any other class of Americans.

The Real Estate Loan Company of Canada Limited

BALANCE SHEET AS AT 31st DECEMBER, 1920

ASSETS

Real Estate held for Sale		$ 44,678.64
Loans on Mortgage:—		
Principal	$1,104,550.95	
Interest due and accrued	26,551.61	
		1,131,102.56
Loans on Government and Municipal Bonds		3,511.86
United Kingdom, Dominion of Canada and Provinces of Canada Securities	$ 52,282.79	
Canadian Municipalities, School Districts and Rural Telephone Debentures	140,833.33	
		193,116.12
Cash in Chartered Banks and on hand		29,263.91
		$1,401,673.09

LIABILITIES

TO THE PUBLIC—			
Sterling Debentures and Interest accrued thereon		$ 558,206.23	
Currency Debentures and Interest accrued thereon		50,900.93	
Open Accounts	$ 409.46		
Reserve for Accrued Taxes	9,000.00		
		9,409.46	
			$ 618,516.62
TO THE SHAREHOLDERS—			
Capital Stock Subscribed, $500,000.00			
Capital Stock fully paid		$ 500,000.00	
Rest	$220,000.00		
Contingent Fund	40,000.00		
		260,000.00	
Dividend No. 68, Payable 3rd January, 1921		17,500.00	
Dividends Unclaimed, etc.		343.50	
Profit and Loss Account		5,312.97	
			783,156.47
			$1,401,673.09

PROFIT AND LOSS ACCOUNT—For Year Ending 31st December, 1920

Interest paid and accrued on money borrowed less Sterling Exchange thereon	$ 26,641.19
Expenses of Money Borrowed and Lent	816.18
Cost of Management	12,380.38
Government and Municipal Taxes	3,483.95
Reserved for Accrued Government Taxes	6,704.41
Dividends Nos. 67 and 68	35,000.00
Balance carried forward	5,312.97
	$ 90,339.08

Balance forward, 31st December, 1919	$ 1,451.48	
Less: Voted at Annual Meeting to President and Vice-President	1,200.00	
		$ 251.48
Income from Interest on Investments		90,087.60
		$ 90,339.08

E. L. MORTON, Manager.

We have audited the books and accounts of the Real Estate Loan Company of Canada, Limited, for the year ending 31st December, 1920, and have verified the cash, bank balances and securities of the Company. After due consideration we have formed an independent opinion as to the position of the Company. In our opinion so formed and according to the best of our information and explanations given to us, we certify that the above statements set forth fairly and truly the state of affairs of the Company and are in accordance with its books. All transactions of the Company that have come within our notice have been within the powers of the Company.

S. W. BLACK,
H. D. LOCKHART-GORDON, F.C.A., Can. } Auditors.

Toronto, 25th January, 1921.

Subscription lists will close on or before February 21, 1921

NEW ISSUE MONTREAL, *February 8, 192*

$3,000,000

The Spanish River Pulp and Paper Mills LIMITED

8% General Mortgage Bonds Series "A"

Dated March 1st, 1921. Maturing March 1st, 1941. Principal and semi-annual interest payable at The Royal Bank of Canada, Montreal and Toronto. Interest payable May 1st and November 1st. Coupon Bonds of $1,000 and $500 Denominations with privilege of registration as to principal only. Trustee — The Montreal Trust Company, Montreal.

CAPITALIZATION	Authorized	Outstanding
Common Shares (Paying 7%)	$10,000,000	$8,995,500
7% Cumulative Participating Preferred Shares	10,000,000	8,571,493
6% First Mortgage Bonds and 6% Serial Notes, maturing 1921-1941 (including Bonds of Lake Superior Paper Company, Limited)	Closed	10,655,113
8% General Mortgage Bonds, Series "A" (this issue)	20,000,000	3,000,000

At current market prices on Montreal Stock Exchange the Preferred and Common shares have a market value of approximately $15,000,000, ranking junior to these Bonds. Approximately $500,000 of the securities senior to this issue mature each year 1921 to 1931 inclusive. These annual reductions together with annual Sinking Fund of 2% per annum on General Mortgage Bonds rapidly increase the equity behind this issue.

Complete prospectus, copies of which will be mailed on request, contains a letter from the President of the Company, from which he summarizes as follows:

The Spanish River Pulp & Paper Mills, Limited, was incorporated in 1910 to acquire the properties and assets of the Spanish River Pulp & Paper Company, Limited, and the Ontario Pulp & Paper Company, Limited. In 1913 it acquired all the capital stock of the Lake Superior Paper Company, Limited. The Company is the largest manufacturer of newsprint in Canada.

Bonds will be secured by direct mortgage and charge on all the fixed assets and properties of the Company and on all Bonds, Debentures and Shares now owned or hereafter acquired by it and by floating charge on all other assets of the Company, subject only to $10,655,113 par value of Bonds and Serial Notes of the Company and Bonds of Lake Superior Paper Company, Limited, the mortgages securing which are to be closed at the amounts now outstanding.

Annual Cumulative Sinking Fund will commence in 1924 — sufficient to retire half of this issue before maturity.

Timber Areas — 11,520,000 acres, containing sufficient pulpwood for many years' operation at present capacity.

Water Powers — 60,000 horse power, of which 50,000 horse power is developed and in operation; of the balance, 7,500 horse power will be in operation by August, 1921.

The three mills operated by the Company produce the following tonnage of newsprint paper annually:

Sault Ste. Marie Mill	72,300
Espanola Mill	90,800
Sturgeon Falls Mill	23,100
Additional, Sturgeon Falls, in operation June, 1921	16,900
Total	203,100 tons

Plant and Property Valuation — $30,000,000 against $13,655,113 of Bonds outstanding, including this issue.

Net Liquid Assets (Working Capital) after deducting all Current Liabilities and including the proceeds of this issue, will be in excess of $9,000,000.

Average annual Net Earnings after depreciation available for interest charges on these Bonds for the five years ended June 30th, 1920, were $1,229,472 — over five times interest charges on General Mortgage Bonds now to be issued.

Net Earnings after depreciation for year ended June 30th, 1920, available for interest charges on General Mortgage Bonds amounted to $2,552,069 — over ten times the amount required to pay General Mortgage Bond interest.

Net Earnings for six months ended December 31st, 1920, after depreciation and prior interest charges, were in excess of $2,500,000 — at the rate of twenty times annual interest on this issue.

We offer the unsold balance of this issue if, as and when issued and received by us at the price of:

99 and accrued interest, to yield 8.10%

ROYAL SECURITIES CORPORATION
LIMITED
Head Office: 164 St. James Street, Montreal

TORONTO
58 King Street West

HALIFAX
Royal Bank Building

ST. JOHN, N.B.
54 Prince William St.

WINNIPEG
Electric Ry. Chambers

VANCOUVER
Pacific Building

NEW YORK
165 Broadway

LONDON, ENG.
7 Gracechurch St., E.C. 3

DUNNING TELLS OF DIFFICULTIES WITH FARM LOANS

Makes a Plea For Bank Co-operation to Meet Situation

MONEY HARD TO GET

The Success of the Banking System is That Money Can Be Shifted to Meet Seasonal Demands

Declaring that it was an impossibility to establish a system of short term credits for farmers within the Province of Saskatchewan which would operate both successfully and adequately, Hon. C. A. Dunning, Provincial Treasurer, in an address to the Grain Growers' Convention, suggested as a practical solution of the question that the Canadian Council of Agriculture should, without delay, direct experts to investigate the possibilities of adapting the present banking system to meet the requirements of agriculture.

Mr. Dunning went very fully into the question of short-term credits required by the farmers of the province. There was no question but what something should be done to assist the farmers of the province over the period when he required credit. The one great difficulty in the way of establishing any system of short term credits in a one industry province like Saskatchewan was the fact that such a system must be operated on the deposits, and it was a well known fact that the farmers, when they required credit, all required it at one season of the year, and if they had money to deposit, they all had it at the same period of the year. In any country in the world, where a short-term credit system was operated successfully, its operation was based on the deposits of a large number of classes of people in order that the credits required by a certain class might be supplied by the deposits of another class.

The Bank System

A great deal of criticism was levelled at the Canadian banking system in this and other conventions, continued Mr. Dunning, and a lot of it may be justified. It has its strong and weak points. One of its chief merits and one that is a first essential in any banking system, is that it is a safe depository for the savings of the people. It is a first essential because it does not do business on its capital, but on the deposits of its clients.

Another of its strong points was the fact that it was national in character, so that it was possible to take the savings of the people in one part of the country and transfer them to any other part of the country where there was an extraordinary demand for credit.

One of its strong points, its national character, had brought about one of its weak points. This was the fact that the management was centralized. By this system all loans granted have to come before the men in the central offices, who are not in a position to judge by personal contact with the creditor, whether such an investment is safe or not.

In his judgment, a broad enough short term agricultural credit system could not be established within the four corners of Saskatchewan and operated successfully. This was because at the time when the greatest demand for loans would be made, deposits would be at their lowest ebb, this would be true in any region where the main industry was seasonal in character. Short term credit systems in other countries were based upon the deposits of factory workers. The amount of money required to finance a comprehensive credit plan for Saskatchewan, he continued, would be enormous. Conservatively, it could be estimated at $50,000,000 in the province where 75 per cent. of the population is engaged in seasonal occupation.

Administrative Board

A board of three men was entrusted with the administration and authorized to make loans to farmers on security of first mortgages on improved farm property. The mortgages must not exceed fifty per cent. of the value of the property. Then here was a little clause which said the Provincial Treasurer was to provide the money for the Board to operate with. It ought to be possible, he believed, to finance such a scheme by paying a higher rate to the people than they could get at the savings bank and to loan money to farmers at a lower rate than they could get it elsewhere. He was right so far as borrowing was concerned; he was wrong in estimating the relationship between those willing to lend and those wanting to borrow. Every campaign of advertising produced four applications for loans to every one for a bond. In the three-year interval, 1917 and 1920, he had been able to find money for the Farm Loan Board to the extent of $6,500,000, which they had loaned to farmers in the province at six an da half per cent. But while he had succeeded in doing that only about a third of the demands had been met.

Not Right Attitude

Continuing, Mr. Dunning stated that there was not a right attitude shown by the people toward public or government money. They did not seem to understand that there were only two methods of raising government funds, by taxation and by borrowing, which latter had to be paid back by the taxpayers. He confessed that he was a little disappointed over the way the Grain Growers looked at the matter of subscribing to farm loans. He explained that the board must have cheap money in order that it might loan money cheaply, and yet so subject were even the most enthusiastic Grain Growers to human frailties, that he had received replies from farmers in the province asking why they should lend money at five per cent. interest when they could get from 10 to 12 per cent.

SHOULD REMOVE BUSINESS TAXES

Graduated Income Tax Also Places Many Burdens On Capital

From "Investment Items," published by Royal Securities Corp.

The Business Profits Tax, as last enacted by Parliament, ceased to be effective at the end of 1920.

We believe that it will not be re-enacted.

It has operated consistently and directly to the discouragement of all forms of productive enterprise. It has served as a notice to those who would have adventured their capital and their energies that they would be allowed to bear all the loss in case of failure, but would only be allowed to take a fraction of the gains in case of any substantial success.

Originally defended as an effort to strike at profits which were the result, not of special energy or intelligence, but merely of the price changes and other economic disturbances of the war, it never succeeded in confining itself to that class of profits, and to-day such a class no longer exists.

It could not in any case be productive of any important revenue during a year of business readjustment, and it could do much to discourage and delay that expenditure of capital on productive undertakings which is the country's chief present need. Indeed, it is probable that the defects of the measure may be brought incisively to light by the difficulty not a few Canadian companies may find in defraying accumulated Government imposts out of the declining profits characteristic of the readjustment period.

Effects of Income Tax

It is deeply to be regretted that the Graduated Income Tax cannot accompany the Business Profits Tax into retirement, for in its higher reaches it causes many of the same evils as the latter.

The prosperity of any country depends very largely upon the enterprise and risk-taking capacity of a small class among its citizens, and when this class is deprived of a large share of its reward by a cumulative series of different taxes, striking them first in the profits of their undertakings, then in the same profits when paid over to the owners as income, and then once more in the expenditures to which they devote that income, the incentive to enterprise and to taking of risk is seriously diminished.

We recognize, and have constantly urged, the necessity of a substantial annual surplus in the Government's accounts, for the reduction of the enormous volume of debt resulting partly from the war and partly from extravagant adventures into government ownership.

But this surplus should be procured so far as possible by economy in expenditure rather than by ruthlessness in taxation.

A dollar saved in the expenditures of a government department is of more value to the country than ten dollars extracted from industry by taxation.

New German index number, compiled by Frankfurter Zeitung, using 1914 prices as base, shows rise to 1,055 at beginning of 1920 and 1,471 to January 1 1921. Slight reduction since December of last year.

PROVINCIAL BANK IDEA IS NOT FAVORED

New Rural Credits Legislation Proposed in Alberta

ATTITUDE OF BANKS

Some Managers Are Not Anxious to Aid Scheme—Security Has Not Been Satisfactory

By Resident Representative.

EDMONTON. — Changes in the workings of the Alberta rural credit scheme are proposed, and according to Hon. C. R. Mitchell, provincial treasurer, the Co-operative Credit Act will be amended at the approaching session of the Legislature to provide, in particular, for a better basis of operation as between the local societies and the banks advancing funds. It is generally admitted, both from the Governments and the farmers' sides, that the present scheme has not worked out as smoothly as desired.

Negotiations are now pending with the Bankers' Association with a view to reaching a better working agreement for the future, and the proposed legislation will be based upon the plan thus agreed upon. The main difficulty has been that the local credit societies have not been able to secure as much money from the banks as they wanted, and the banks have claimed on their part that the security offered has not been satisfactory. The Government will probably overcome the difficulty by giving a larger guarantee on the loans, with the expected result that the banks will accord the local societies a better line of credit.

Attitude of Bankers

There are ten co-operative credit societies in Alberta, but only five of them were in active operation last year. The borrowings of these five societies amounted to $123,695. A number of the local boards have reported that while the attitude of the head offices of the banks is understood to be favorable to the rural credit scheme, the local branch managers have not been friendly toward it and have declined to give loans. In some cases this has been the real reason why the societies have not functioned.

The matter is to be cleared up with the banks and a definite understanding reached, the Government being determined that the scheme shall be given an adequate trial. It is not the intention of the Government, however, to adopt Manitoba's course in establishing provincial savings banks as a means of getting the money with which to finance the rural credit societies. Treasurer Mitchell holds that the expense of getting money in this way, so far as Alberta is concerned, would be out of proportion to the benefits received, and he therefore favors instead the making of some new arrangement with the chartered banks by which the present difficulties will be removed.

Under the terms of the act co-operative credit societies are organized among groups of farmers for the purpose of procuring short term loans to be used in actual farming operations. The shareholders take stock at a minimum of $100 each, and the Government guarantees the securities and obligations of any society to the extent of one-half its total subscribed stock. The interest rate is subject to arrangement but has been in most cases 7 per cent.

It is likely that a larger Government guarantee will be given under the amended legislation to be brought in shortly. Even under present conditions the scheme has been of considerable benefit where tried out, and it is now the intention of the provincial authorities to give it a still better chance to prove its value as an aid to agricultural development.

U. S. STEEL BONUS

Big Benefits to Employees Who Have Participated

Distribution of the special bonus on United States Steel Corporation stock issued in 1916 is being made to employees. The bonus amounts to $9.35. It is paid to employees who have retained their stock for five years. The stock was offered in 1916 to employees for $85 but when paid for within ten months after its purchase, crediting dividends and bonus, actual selling price was $75.35. Figuring the dividends received, special four year bonus and the special bonus, the amount returned to the holder was $72.10 and the actual cost of stock $3.25.

Following shows money invested in a share of steel stock, earnings and bonuses for the five-year period:

1916 stock sold for	$85.00
Paying for stock in ten payments and crediting bonuses and dividends for first year would cost when received (cash actually paid)	75.35
Dividends 1917, '18, '19, '20	42.75
Bonus four years ($5 each year)	20.00
Special bonus	9.35
Total return	$72.10
Difference, or cost at end of 5 years	3.25

LITTLE INTEREST IN RURAL CREDITS

The Maritimes Show Little Interest in Manitoba's Farm Loan Scheme

By Resident Representative.

ST. JOHN.—The question of the establishment of rural credits provoked an interesting discussion at the annual convention of the United Farmers of New Brunswick. President Calder, M.P. for Carleton-Victoria, left the chair to explain the rural credit system adopted in Manitoba.

A. E. Trites, of Salisbury, one of the best known farmers in the province, declared that considering conditions in the past the establishment of rural credits would be a step in the wrong direction. In the East there were times of the year when the farmer had to go to the banks for loans, and they obtained credit from the banks when it was refused by neighboring merchants.

Wm. Irvine, of Calgary, Western organizer of the United Farmers, then made an interesting declaration. The consensus of opinion, he said, seemed to be that there was not as much credit available to farmers at the present time as in the past, but reports from Maritime branches supported a different view. The banks in the East were liberal in the matter of loans to farmers.

Apparently the delegates were not much interested in the Western scheme of rural credits, but they adopted the principle as a matter of course.

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	1919	1920
Insurance in Force	$21,338,339.00 *(Increase over 20%)*	$25,745,826.00
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Policyholders Reserve	2,650,323.00 *(Increase over 19%)*	3,159,136.00

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Imperial Renown Oil
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CANADIAN STOCKS

Quotations of listed Securities on Montreal and Toronto Stock Exchanges, with prices at closing on Feb. 7. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active.

Capitalization: Preferred	Capitalization: Common	Capitalization: Bonds and Debentures	Div. Rate	Yield to Feb. 1	COMPANY	Range 1920 High	Range 1920 Low	Range 1921 to Feb. 1 High	Range 1921 to Feb. 1 Low	Close Ask	Close Bid	Week ending Feb. 7 High	Week ending Feb. 7 Low	Week ending Feb. 7 Close	Sales
...	5 000 000	6 160 600	6	11.43	Abitibi Power & Paper com	87	49¾	58	44	57¾	51	52¾	50	51½	4,042
1,000 000	...	...	7	7.86	Abitibi Power & Paper pref	99	85	89	86¼	90	...	89	87	89	10
...	6 594 300	...	...	...	Amer. Cyanamid com	36	33	...	...	...	...	...	...	...	...
994 200	...	...	6	9.67	Amer. Cyanamid pref	65	62	62	...	...	...	62	62	62	...
...	3 500 000	1 473 666	...	...	Ames-Holden com	137¼	10	25	20	...	...	24	23	24	...
2 500 000	...	...	7	...	Ames-Holden pref	114¾	27	45¼	30	34	33⅞	35	32	34	84
...	614 660	537 442	...	...	Amer. Salesbook com	7½	5	...	...	...	...	...	...	...	...
3 073 300	...	...	7+1¼	9.21	Amer. Salesbook pref	83½	70	77	72	75	73	75½	75	75	38
...	3 000 000	2 940 000	6+1¾	7.27	Asbestos Corp. com	103	64	82¾	77	80	...	81	80	80	82
4 000 000	...	...	8	8.51	Asbestos Corp. pref	108	83	95	88½	94	91½	92½	91	92½	46
...	3 500 000	1 345 000	10	...	Altantic Sugar com	164	16	33¼	20¼	29¼	29	30	25¼	29	2,358
2 500 000	...	...	7	8.28	Atlantic Sugar pref	184	24½	...	...	...	...	...	...	...	...
8 483 500	27 450 000	64 063 875	...	...	Barcelona Traction	9¼	3¾	4½	4	4⅜	4¼	4⅜	4⅛	4¼	575
...	22 336 300	11 149 000	8	7.34	Bell Telephone	111¼	100	112	99¼	108	...	109	108	108¾	237
...	4 282 200	...	6	13.63	B. C. Fishing	66	34¼	45	38	45	43¼	46	43½	43½	48
10 000 000	106 566 300	77 192 132	...	...	Brazilian Traction com	51¼	28	36	30¾	33	32¾	33¼	32	33½	1,378
...	858 500	17 234	10	9.30	Burt. F. N. com	110	88	109	101½	107½	107½	107⅝	107½	107½	1
1 866 700	...	...	7	6.51	Burt. F. N. pref	110	90	108	96½	107¾	106	107⅜	106	106	20
2 000 000	7 000 000	2 375 000	7	13.72	Brompton Paper	85	42¾	57¾	50¾	57½	57¾	53	49½	52	4,133
...	2 500 000	1 146 872	...	...	Canada Bread com	32½	19	22	19¾	20¾	20	20¼	20¾	20¼	10
1 250 000	...	...	7	8.04	Canada Bread pref	86½	84	87	85	...	...	...	...	...	...
...	4 975 000	7 757 822	...	...	Can. Car & Fdry com	74	29	43	31	...	...	37	36½	36½	60
7 500 000	...	...	7	9.21	Can Car & Frdy. pref	109	67	79	64	74	...	75	70	70	207
...	13 500 000	6 509 573	6	10.00	Canada Cement com	75	54¾	67¾	56½	62	60	61	60	60½	907
10 500 000	...	...	7	7.52	Canada Cement pref	100	88½	94	90	...	92	93	93	93¾	137
...	1 733 500	399 000	7	10.76	Can. Converters	80	51	65	59	62½	...	65	64	65	7
...	2 805 500	9 500 000	...	...	Can. Cons Rubber com	100	87¾	...	...	...	...	...	...	...	...
3 000 000	...	...	7	7.00	Can. Cons. Rubber pref	95	92	...	...	...	...	...	...	...	...
...	2 715 500	4 367 105	8	10.38	Can. Cottons com	100	71	77	72	80	77½	79	79	79	25
3 661 500	...	...	6	8.33	Can. Cottons pref	83	66	72	70	...	...	...	...	...	...
...	960 000	173 200	12	...	Can. Forgings, com	237	75	...	...	...	...	...	...	...	...
960 000	...	...	7	7.60	Can. Forgings, pref	92	91	...	...	...	...	...	...	...	...
...	8 000 000	...	8	7.76	Can. Gen. Electric com	109	93¾	105	94	106½	105¼	106	102⅞	105	263
2 000 000	...	...	7	7.21	Can. Gen. Electric pref	104	90	97	90	...	98	98½	98	98½	25
...	2 000 000	1 500 000	8	9.41	Can. Locomotive com	100	80	86	82	...	...	...	...	...	...
1 500 000	...	...	7	8.23	Can. Locomotive pref	95	80	86	83	...	...	...	...	...	...
80 681 921	260 000 000	271 934 882	10	7.54	Can. Pacific Railway	142	125	141	129½	134	132½	132⅛	130	132½	500
...	800 000	369 000	8	9.14	Can Salt	147	85	87½	...	...	...	...	...	...	...
...	12 000 000	7 979 619	7	15.55	Can. Steamships com	80¼	34	50½	44½	41	40¾	44¾	37½	41	6,018
12 500 000	...	...	7	9.80	Can. Steamships pref	85	60½	74	65	70	69½	71½	69¾	69¾	865
...	1 200 000	454 500	...	...	Carriage Fact. com	49¼	7½	20	12	...	...	...	...	...	...
1 200 800	...	...	...	...	Carriage Fact. pref	90½	72¾	65¾	...	...	...	...	...	...	...
...	565 000	...	...	...	City Dairy com	62	50	60	55	...	...	...	...	...	...
700 000	...	...	7	8.53	City Dairy pref	99	85	82	...	...	82	80	80	80	10
...	5 360 700	...	10	7.51	Consumers Gas	150	125	137	124¾	137	136	138	133½	136½	196
...	6 212 666	...	6	13.04	Crow's Nest Coal	59¾	40	47	45	...	55	55	55	55	115
...	15 000 000	35 757 500	8	8.84	Detroit United Rly	113¾	79¾	91	88	92	90	93	90	93	136
...	6 500 000	...	8	8.93	Dominion Bridge	115	69	92	76	89	...	89½	88¾	89	141
...	2 796 300	1 719 410	...	...	Dom. Canners com	66¼	26	45	34	41	40	41	38½	39	346
2 280 600	...	...	7	8.75	Dom. Canners pref	90	79	80	78	80¼	80	80½	80	80	32
3 000 000	15 000 000	5 864 500	7	8.97	Dominion Coal pref	97½	70	78	63½	...	77	77½	77¾	77½	16
...	4 250 000	1 685 365	6	8.95	Dominion Glass com	69¾	57	64	56	60½	60	60½	60	6	250
2 600 000	...	...	7	8.53	Dominion Glass pref	91	82¾	82	77½	...	80	82	80	82	61
5 000 000	25 000 000	13 484 313	7	9.40	Dominion Iron pref	92	65	76	68	...	75½	75½	74½	74¾	45
7 000 000	37 100 000	20 480 682	6	13.33	Dominion Steel Corp	82½	39	49	42	45¼	44½	45	41⅝	44¾	1,861
...	1 000 000	...	6	7.05	Dom. Telegraph	91¾	80	85	81	89	85	85	85	85	5
...	5 000 000	4 767 900	10	9.09	Dom. Textile com	146½	96½	111	104	...	108	108½	106¼	108	528
1 940 600	...	...	7	7.44	Dom. Textile pref	105	89	94	89½	...	...	94¼	94	94½	6
1 500 000	3 500 000	3 500 000	4	...	Duluth Superior	28	12	13	...	13	12½	13	13	13	25
...	2 250 500	950 000	...	...	Goodwins com	35	26	...	...	...	...	...	...	...	...
1 750 000	...	...	7	9.33	Goodwins pref	95	75	...	...	...	...	...	...	...	...
...	1 000 000	225 000	...	...	Holt Renfrew com	70	62	...	...	...	...	...	...	...	...
1,000,000	...	...	7	8.75	Holt Renfrew pref	85	80	...	...	...	...	...	...	...	...
...	2 500,000	800,000	8	7.92	Howard Smith Paper com	167	74¾	110	100	...	...	...	...	...	...
1,500,000	...	...	8	8.69	Howard Smith Paper pref	107½	91	92	91	...	...	...	...	...	...
7,289,500	...	...	6	8.69	Illinois Traction pref	70	64	70	65	70	69½	70	70	70	50
500,000	6,267,005	...	25c.	...	International Petroleum	82	20	...	...	...	...	...	...	...	...
...	2,198,018	1,902,500	8	8.69	Kaministiquia	97	83½	93	92	...	...	92	92	92	5
...	2,800,000	900,000	12	7.74	Lake of the Woods com	220	130	155	135½	155	...	155	155	155	115
1,500,000	...	...	7	7.44	Lake of the Woods pref	112	93½	94	...	...	...	...	...	...	...
...	9,600,000	565,778	6	6.59	Laurentide Paper	125	81	95	90	90	89½	90½	89	90	3,446
1,300,000	1,750,000	934,900	8	11.59	Lyall Construction	99	35	75	47½	70	66	67	64	67	56
2,388,600	3,000,000	...	...	...	Macdonald A. com	44¼	19	25	20	25	...	24	24	24	75
...	41,380,400	...	6	7.77	Mackay com	79¾	67¼	80	69	77	76	77	76½	76¾	66
50,000,000	...	...	4	6.25	Mackay pref	74	61	65	63½	64	63	63½	63	63	105
...	2,500,000	...	12	8.21	Maple Leaf Mill com	196	133	146	138	...	...	...	...	...	...
2,930,000	...	...	7	7.21	Maple Leaf Mill pref	104	92	97	93	...	97	98¼	97⅛	98¾	45
...	1,275,000	...	...	...	Monarch Knitting com	75	60	...	...	...	...	...	...	...	...
750,000	...	...	7	8.75	Monarch Knitting pef	90	85	80	78	83	80	...	...	...	...
...	2,949,600	...	6	8.00	Montreal Cottons com	87	78	75	...	...	...	76½	76¼	76½	10
2,949,600	...	...	7	7.69	Montreal Cottons pref	105	90	91	90	...	...	95	95	95	10
...	64,126,100	...	5	5.61	Montreal L.H. & P. cons	90	76	86	81½	83¾	83½	84½	83½	83¾	1,540
...	2,000,000	...	8+½	7.27	Montreal Telegraph	124	110	111½	110	...	110¼	111	111	111	10
...	3,861,070	36,608,153	10	7.40	Montreal Tramways	155	125	135	125	...	...	...	...	...	...
...	2,254,300	1,580,000	4	7.54	National Breweries com	70	39¾	56¾	48½	53	52¾	53½	51¾	53	2,829
2,775,000	...	...	7	7.36	National Breweries pref	97	93	...	...	...	...	...	...	...	...
...	2,000,000	...	...	...	Nat. Steel Car com	12	3	5½	4	5	4½	5¼	5	5	165
1,500,000	...	...	7	...	Nat. Steel Car pref	41½	21	28	22	27	25	25	25	25	50
...	15,000,000	11,102,437	5	12.82	N. S. Steel & Coal com	80	33½	42	37	...	39	...	...	...	...
1,000,000	...	...	8	10.66	N. S. Steel & Coal pref	107	75	...	...	...	...	80	80	80	15
...	2,500,000	2,350,000	12	5.79	Ogilvie Milling com	280	175	207	180	...	210	212	220	212	225
2,000,000	...	...	7	7.00	Ogilvie Milling pref	105¼	97	100	99	...	99	101	101	101	10
...	750,000	538,200	8	11.85	Ont. Steel Products com	89	50	70	58	66	65	66	66	66	25
750,000	...	...	7	...	Ont. Steel Products pref	89½	89	...	...	...	...	88	88	88	5
...	3,500,000	2,125,000	6	8.27	Ottawa L. H. & P.	81	70	72½	70	70	...	70	67	70	175
...	650,000	...	2	5.71	Pacific Burt. com	42	30¼	35	34	...	...	...	...	...	...
650,000	...	...	7	8.86	Pacific Burt. pref	85	76	79	76	78	76	78	78	78	15
...	2,150,600	2,000,000	8	8.00	Penmans Ltd. com	148½	93	100	95	107	98	100	98	98	53
1,075,000	...	...	6	7.40	Penmans Ltd. pref	91½	74	81¾	78	...	...	...	...	...	...
...	749,500	...	...	...	Port Hope Sanitary c	27	25	...	...	...	...	...	...	...	...
400.000	...	...	7	...	Port Hope Sanitary pre	42	30¼	...	...	...	...	...	...	...	...
...	3,000,000	3,837,666	4	...	Porto Rico Rlys. com	50	28½	40	37	40	37	38	38	38	10
1,000,000	...	...	7	10.00	Porto Rico Rlys. pref	79	60	70	64	...	71	71	71	71	10
...	8,534,200	5,372,098	8	3.20	Price Bros	385	250	253	250	...	...	248	248	248	20
...	2,481,300	95,000	6+1	6.31	Provincial Paper com	132	80½	95	87¾	102	96	95½	94¼	95¾	125
1,700,000	...	...	7	8.04	Provincial Paper pref	100	85	87¼	...	88	...	87⅝	87¼	87⅝	111
...	9,999,500	11,045,000	...	...	Que. Railway L.H.	36¾	18	27	22	25¼	25¼	26	25⅜	25¼	1,050
...	4,500,000	5,909,400	10	7.04	Riordon Paper com	226	126⅞	160	126¾	143	141	143⅜	140	143½	189
1,500,000	...	...	7	8.75	Riordon Paper pref	101½	83	80	...	85	...	80	80	80	1
...	1,500,000	502,000	...	...	Rogers Wm. com	71	52	55	53	...	...	...	...	...	...
1,122,800	...	...	7+1¾	8.23	Rogers Wm. pref	102	80	87	75	...	...	...	...	...	...
...	800,000	...	7	9.33	Russell Motor com	89	70	...	...	...	...	...	...	...	...
1,200,000	...	...	7	11.66	Russell Motor pref	98	40	65	46	...	53	50	50	50	4
...	1,500,000	478,868	...	...	Sawyer-Massey com	20	13	15	13	...	...	55	55	55	2
1,500,000	...	...	...	...	Sawyer-Massey pref	67¼	35	54	45	52	50	52	50	50	40
...	20,000,000	9,353,261	7	6.51	Shawinigan W & P	119½	97½	109½	104¾	107	106	107	106	106¼	473
...	4 000,000	2,226,006	6	6.81	Sherwin Williams com	119	75	88	85	...	...	...	...	...	...
3,425,000	...	...	7	7.77	Sherwin Williams pref	100	85¾	90	87	...	...	90	90	90	50
...	8,750,000	...	8	6.15	Shredded Wheat com	142	130¾	130	...	...	...	...	...	...	...
1,250,000	...	...	6	6.12	Shredded Wheat pref	98	98	...	...	...	...	...	...	...	...
...	8,000,000	10,332,113	7	8.75	Spanish River Pulp com	129	75	89¼	80	80⅛	79½	81⅛	77⅛	81½	1,726
5,699,100	...	...	7	7.77	Spanish River Pulp pref	149	82	95	90	90	89	91	88½	90⅛	2,852
...	11,500,000	8,562,225	7	11.11	Steel of Canada com	88½	54¾	64	59	60	61½	63¼	62¼	61½	565
6,496,300	...	...	7	7.52	Steel of Canada pref	01½	85¾	93	86½	...	92	93¾	92½	93½	38
...	1,200,000	160,590	6+1	8.21	St. Lawrence Flour com	139	59	75	61½	71⅛	...	73¼	73½	73½	5
575,000	...	...	7	7.77	St. Lawrence Flour pref	98½	92	90	85	...	...	...	...	...	...
...	7,894,000	1,440,000	...	...	St. Maurice Paper	170	123	120	...	...	...	...	...	...	...
...	650,000	...	...	...	Tooke Bros. com	86	67	57	50	60	56	50	50	50	50
985,000	...	...	7	8.97	Tooke Bros. pref	91	83	78	75	...	...	78	78	78	5
...	12,000,000	2,502,306	...	...	Toronto Railway	65	35	70	59½	68⅛	67¾	68⅛	66¾	68	1,088
...	2,500 000	...	4	8.16	Tuckett Tobacco com	57½	41	49	41	49	47	48	48	48	10
2,000,800	...	...	7	8.43	Tuckett Tobacco pref	93	81½	83	82	86	...	83	83	83	10
3,000,000	22,000,000	20,213,000	...	...	Twin City com	49	31½	47	43½	46	45	46	44⅛	45	295
...	1,750 000	891 000	4	8.69	Wabasso Cotton	135	48	48	42½	...	...	...	...	...	...
...	5,000,000	3,302,600	6	7.31	Wayagamack	150¼	71	89	76½	82	80	82	80	81	290
...	2,449,588	1,371,557	8+15	6.66	West. Can. Flour	145	105	...	...	...	...	...	...	...	...
...	9,000,000	10,130,000	...	...	Winnipeg Rly	38	26	41¼	36	41	40½	44	39¾	40¾	641
...	1,500,000	600,000	1½+2	4.13	Windsor Hotel	100	70	145	120	...	...	...	...	...	...
...	1,718,600	410,000	8+5	8.00	Woods Mfg. com	110	93½	...	...	...	...	...	...	...	...
1,546,500	...	...	7	8.53	Woods Mfg. pref	86	78¼	...	...	...	...	...	...	...	...

MINING STOCK QUOTATIONS

Week ending Feb. 7.

	High	Low	Close	Sales
Adanac	2	1½	2	3320
Apex	2¼	..	..	2500
Atlas	24	20	22	15900
Bailey	3¾	3½	3¾	11600
Beaver	39	37	38¼	13900
Chambers	6	..	..	1000
Smelters	20½	19½	20	732
Coniagas	2.00	..	..	775
Crown Res.	18	15½	18	4350
Dome Exten.	55	46	55	820
Dome Lake	3½	..	..	500
Dome Mines	14.75	14.00	14.50	1385
Gifford	1¼	1⅛	1⅛	6000
Gold Reef	3¾	3¼	3½	41000
Gt. Northern	2	..	..	1000
Hargraves	2	..	..	500
Hollinger	6.70	6.45	6.69	4408
Hunton	11	9	11	10500
Keora	26½	22½	23¼	144900
Kirk. Lake	52	49	52	12850
La Rose	32	26	26	1250
Lake Shore	1.23	1.20	1.20	2925
McKinley	30	..	..	2000
McIntyre	1.87	1.85	1.86	4233
Min. Corp.	1.10	1.05	1.05	1989
Newray	6	..	..	4425
Nipissing	9.25	8.70	9.00	871
Ophir	1¾	..	..	5000
Peter. Lake	10½	9	9	10500
Porc. Crown	21	20½	20½	4000
Preston	3	..	..	1000
Provincial	29	..	..	300
Schumacher	26	25	26	1500
Teck Hughes	11½	10¼	10¾	2350
Trethewey	18¼	17½	17½	4100
V. N. T.	21	19¾	19¾	11000
West Dome	10	9	9½	18400
West Tree	5¼	5	5¼	11000
Skead	50	..	..	600

AGENCY WANTED

BRYCE & COMPANY, LIMITED
MANUFACTURERS' AGENTS
WINNIPEG, MAN.

Calling on the Dry Goods and Men's Furnishing Trade of Western Canada from Port Arthur to Victoria, having been agents for the Williams, Greene & Rome Co., Ltd., of Kitchener, Ontario, for over thirty years and discontinuing this Agency on account of that business being sold to Cluett, Peabody & Co., Limited

Desire To Secure

a good Agency to replace same. Agencies to the Wholesale Dry Goods trade are of interest.

RESIDENT SALESMEN IN
WINNIPEG REGINA CALGARY VANCOUVER
8 sets of Samples required.

Present Agents For

Penmans, Limited, Paris, Ont. (The retail trade only).
Watson Manufacturing Co., Limited, Brantford, Ont.
The Central Agency, Limited, Montreal, Quebec.

If interested, and for full particulars, write

BRYCE & COMPANY, LIMITED
BOX 238, WINNIPEG, MAN.

New Issue
We Own and Offer

$4,000,000.
Mount Royal Hotel Company, Limited

(Incorporated under the laws of the Dominion of Canada.

Head Office of the Company, Montreal, Canada

8% Convertible Debentures

DENOMINATIONS: $100, $500, $1000 and $5000

Dated December 1st, 1920, coupons payable quarterly, 1st of January, April, July and October, in each year, first coupon bearing interest for four months. Coupons payable at Royal Bank of Canada, Montreal or New York. All debentures to be converted into 8% Cumulative Preferred Stock (fully paid and non-assessable) on July 1st, 1923. The Preferred Stock is redeemable in whole or in part at the option of the Company at any time upon payment of capital paid up thereon plus 10% and all accrued and unpaid dividends. Dividends payable quarterly.

CAPITALIZATION

	Authorized	Issued
8% Debentures to be converted into 8% Cumulative Preferred Stock		
Common Stock Par Value $100	$4,000,000.00	$4,000,000.00
	5,000,000.00	5,000,000.00

8% Preferred Stock—Authorized $5,000,000 (of which $4,000,000 is to be used in payment of like amount of Debentures and $1,000,000 to remain in the Treasury of the Company).

To be subject to a first mortgage or bond issue of $3,000,000 to be increased to $4,000,000 on completion of the 400 room addition.

BANKERS:—
ROYAL BANK OF CANADA

SOLICITORS:—
MEREDITH, HOLDEN, HAGUE, SHAUGHNESSY & HEWARD, MONTREAL, for the Hotel Company.
BROWN, MONTGOMERY AND MCMICHAEL, MONTREAL, for N. A. MacDonald and Company, Limited

ARCHITECTS:—
ROSS AND MACDONALD, MONTREAL

DIRECTORS:—

HON. SENATOR C. P. BEAUBIEN, K.C.
Director Frontenac Breweries, Limited.
W. M. BIRKS, ESQ.,
Vice.-President Henry Birks & Sons, Limited.
W. W. BUTLER, ESQ.,
President Canadian Car & Foundry Co., Limited.
W. J. CLUFF, ESQ.,
President National Electro Products Limited.
FRANK A. DUDLEY, ESQ.,
President United Hotels Co. of America
G. H. DUGGAN, ESQ.,
President Dominion Bridge Co., Limited.
HOWARD G. KELLEY, ESQ.,
President Grand Trunk Railway System.
COL. J. T. LOREE, D.S.M.
Gen. Mgr. The Delaware & Hudson Co.
NORMAN A. MACDONALD, ESQ.,
President N. A. MacDonald and Co., Limited.
A. D. MACTIER, ESQ.,
Vice-President Canadian Pacific Railway.
COL. F. S. MEIGHEN, C.M.G.
President Lake of The Woods Milling Co. Limited.
COMMANDER J. K. L. ROSS,
Director Canadian Pacific Railway.
THE HON. W. J. SHAUGHNESSY, K.C.
Director Canadian Pacific Railway.
HON. SENATOR LORNE C. WEBSTER,
President Holt Renfrew & Co., Limited.
BRIG.-GEN. J. LESLIE KINCAID, D.S.O.,
President Kincaid & Co., N.Y. City.

EARNINGS—PURPOSE OF ISSUE—MANAGEMENT

Detailed statement indicates earnings of over $7.00 per share on the Common Stock, the conservatism of which can be judged best by the fact that other hotels in the United Chain are paying from 10% to 25% on their Common Stock.

To meet the urgent demand on the part of the residents, transportation and other business interests of Montreal, commercial travellers and tourists, it is proposed to construct upon the most desirable site in the city, a modern fire proof hotel of 1,036 rooms. This hotel—The Mount Royal—will be operated as a link in the chain of twenty hotels in Canada and the United States which are managed by the United Hotels Company of America. The personnel of the local Board of Directors together with the fact that "The Mount Royal" will be operated by the United Hotels Company of America insures its success.

Interim certificate will be issued by the Montreal Trust Company pending delivery of definitive Debentures. Application will be made to list the Preferred and Common Shares on the Montreal and Toronto Stock Exchanges.

Price: Par and Accrued Interest with a Bonus of 40% Common Stock

Interest on Debentures and Dividends on Preferred Stock payable at option of holders in Montreal or New York exchange

Orders may be telephoned or telegraphed at our expense

N. A. MACDONALD AND COMPANY
LIMITED

35-37 King Street West
TORONTO

2 Place d'Armes Square
MONTREAL

112 Union Bank Building
OTTAWA

BANKS

Capital	Reserve	Div. Rate	Yield to Feb. 1	BANKS	Range 1920 High	Range 1920 Low	Range 1921 to Feb. 1 High	Range 1921 to Feb. 1 Low	Close Feb. 7 Ask	Close Feb. 7 Bid	Week Ending Feb. 7 High	Week Ending Feb. 7 Low	Week Ending Feb. 7 Close	Sales
15,000,000	15,000,000	12+1	6.31	Commerce	199½	173¾	200	179¾	190	189	190	189	189½	153
6,000,000	7,000,000	12+1	5.92	Dominion	206	190	204	191½	202	...	202	201	201	79
4,000,000	4,200,000	12	6.52	Hamilton	194	168	185	169¾	184	...	184	184	184	43
4,000,000	4,000,000	10	6.62	Hochelaga	158¼	151	153	151	151	...	152½	152½	152½	5
7,000,000	7,500 000	12	6.31	Imperial	200	184	190	185	189	188	190	188	189	23
10,029,622	8,400,000	12	6.70	Merchants	203	158	182	168	177	...	177½	177	177	78
4,000,000	5,000,000	12	6 89	Molsons	194	169	174	168½	...	...	...	...	...	...
22,000,000	22,000,000	12+2	5.85	Montreal	220½	185	212	195¾	...	204	206¼	205	206	22
2,000,000	2,300,000	12	7.27	Nationale	174	162¾	174	165	...	166	165⅜	165⅝	165⅝	1
9,700,000	18,000,000	16	6.16	Nova Scotia	273	243	265	249	260	...	260	260	260	11
20,134,010	20,134,010	12+2	5.94	Royal	233½	189½	208	193½	203½	202¾	203	201½	203	211
3,500,000	4,500,000	14	6.89	Standard	222	200	205	198	201	200	203	200	200	64
5,000,000	6,000,000	12	6.25	Toronto	197	179	192	182	192	...	191	191	191	5
8,000,000	6,000,000	10+2	6 25	Union	161	139	160	146	160	158	160¼	159	159	88

LOAN, TRUST AND INSURANCE

LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div. Rate	Range for 1920 High	Range for 1920 Low	Latest Price Ask	Latest Price Bid	Last Sale	LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div. Rate	Range for 1920 High	Range for 1920 Low	Latest Price Ask	Latest Price Bid	Last Sale
Canada Landed	10	10	150¼	110	133	130	130	Montreal Loan	12	....	165	155	...	165	5
Canada Permanent	10	10	178	157	181	177	180	National Trust	11	12	230	198	195	190	8
Central Canada	10	10	...	...	...	...	...	Ontario Loan	10	10+¼	160	155	...	160	155
Col. Investment pref	6	6	82	67	77	...	75	Real Estate Loan	7	7	95	92	...	...	92
Dominion Savings	5	5	72	72	...	70	72	Toronto General Trusts	10+1	12	211	196¼	...	192	180
Great West. Per.	5	5	...	...	...	...	89½	Toronto Mortgage	9	9	135	129½	...	132	132½
Hamilton Provident	9	9	146	145	145	140	140	Toronto Savings	10	10	.....	...	...	...	188
Huron & Erie	6+1	6+¼	113½	110	...	112½	112½	Union Trust	7	7	...	...	...	...	...
Landed Banking	8	8	142	141	140	137	137	Confederation Life	20	20	310	300	95	88	90
London and Canadian	9	9	126	110	120	117	120								

$3,000,000 BONDS OF SPANISH RIVER TO YIELD 8.10%

To Cover Portion of Capital Expenditures of Over $7,000,000

EARNINGS DOUBLED

In Last Six Months of 1920 Equal to Preceding Year—Working Capital of $9,000,000—675 Tons Daily

By Resident Representative.

MONTREAL.—An offering of $3,000,000 of 8 per cent. general mortgage bonds of the Spanish River Pulp & Paper Mills, Limited, was made to the public this week by Royal Securities Corporation at a price of 99, giving a yield of 8.10 per cent. These bonds are dated March 1, 1921, and mature at the end of 20 years, March 1, 1941. These bonds are a second mortgage security, prior rights on the company's assets being held by 6 per cent. first mortgage bonds and 6 per cent. serial notes maturing 1921-1941, amounting to $10,655,113, and it is provided that the mortgages securing the latter are to be closed at the amounts now outstanding. The unusually high yield and the security behind the issue already have resulted in subscriptions covering a large portion of the whole issue.

Cause of New Financing

This new financing of Spanish River finds the investor of two minds. The obvious feeling, more or less superficial, is one of some disappointment at the necessity for more capital when the company is known to be making enormous earnings. This in turn has given rise to a feeling of disquiet towards all paper securities.

Earnings Back Into Property

This feeling is a natural one, but a letter of the president, George H. Mead, contains two or three statements that should allay this feeling. One is that there has been expended on the company's property the last few years upwards of $7,000,000, and this issue is to refund a part of this. The company has been steadily *increasing its output and developing its* water powers, and whatever may be the demand for newsprint for the latter portion of 1921 the need for the increased capacity in the near future can hardly be gainsaid. The present capacity of the three mills is 620 tons of newsprint daily, with an additional output at Sturgeon Falls available in June next of 56 tons a day, making the yearly capacity over 675 tons a day. In addition the company has a surplus capacity of 13,000 tons of news sulphite pulp and 10,000 tons of groundwood pulp per annum.

Working Capital of $9,000,000

Another point is that on the completion of the present financing the working capital—that is net liquid assets after providing for all current liabilities—will amount to over $9,000,000. This would imply a present working capital of over $6,000,000.

A third reassuring factor is that of present earnings. For the year ending June 30, 1920, the net earnings after providing for depreciation and prior interest charges and available for general mortgage bond interest, were $2,552,669, while for the last six months of 1920 alone the corresponding figure was over $2,500,000, or at the rate of over twenty times the interest ($240,000) required. Nor does it seem likely that the earning power for the first six months of 1921 can fall below that of the last six months of 1920, for the newsprint contract price for the first quarter (January to March) is $130 a ton as compared with only $100 a ton for the six months, July to December, of 1920, so that even with a substantial reduction in the $130 price and a falling off in surplus pulp production for 1921 as compared with July, August and September of 1920, the net earnings for the year ending June 30, 1921, may reasonably be estimated as more than double those of the preceding twelve months.

Physical Valuation of $30,000,000

The president notes also that the physical valuation of the company's properties is $30,000,000, as against an outstanding bond issue—with the new one—of $13,655,113. There is outstanding preferred stock, cumulative and participating, amounting to $8,571,493, and common stock, paying 7 per cent. of $8,995,500. To cover all these charges the following is required:

Interest and Dividend Charges

st mortg. bonds at 6%	$ 639,306
ew issue at 8%	240,000
otal for bonds	$ 879,306
8,571,493 pref. at 7%	600,004
$8,995,500 com. at 7%	629,685
	$1,229,689
*Add 10% bonus to 1st mortgage bondholders of all dividends	122,968
Total bonds and stock	$2,231,963
Of which prior charges before present $3,000,000 issue	639,306
Total capitalization	$31,232,106

*A special provision now being carried out.

Part of $20,000,000 Authorized

This new mortgage bond will be termed "Series A," as a part of a total authorized bond issue of $20,000,000. It is provided that the remaining bonds may be issued by the company to the extent of 50 per cent. of capital expenditures made on the properties, and only when the combined net earnings, after allowance for prior interest, maintenance, depreciation and other charges for the preceding fiscal year amount to not less than three times the annual interest charges on all general mortgage bonds then outstanding and proposed to be issued.

BETTER CONDITIONS MONTREAL L. H. & P.

Sir Herbert Holt Sees Difficulties of Past Few Years On Wane

MONTREAL.—At the annual meeting of the Montreal Light, Heat and Power, Sir Herbert Holt referred again to the fact that this city has the lowest gas and electric rates on the continent. This was achieved despite heavy taxation, while the Ontario Hydro operated free of all taxation.

Regarding the outlook he said that he thought things would show a gradual improvement, especially regarding the supply of coal. He pointed out that during the past year Montrealers did not realize how fortunate they were in getting their gas supply at times. The company had to take almost any coal that was offering, some of it of extremely poor quality. The purifying plant had to be almost duplicated in order that the gas supply might be kept as close to standard as possible.

This year it is expected that the supply will be more suitable, easier to secure and may probably cost less. The electric load during the past year has been very heavy and this branch of the business was satisfactory. Directors were looking forward to steady improvement in conditions and it was felt that the worst had been successfully surmounted.

Sir Herbert referred to the installation of the two new units at Cedars Rapids, of 10,800 h.p. each, completion of which will give the company 150,000 h.p. nominal capacity at this plant.

MERGER OF LOEW'S INTERESTS DELAYED

Pending Investigation of Position of Certain Companies

A hitch has developed in connection with the proposed merger of certain of the Loew interests in Canada into a $20,000,000 company to be known as the Loew's (Canada), Limited, or some similar name. Two of the companies prominently mentioned in connection with the merger plans have called the attention of their shareholders by circular to certain discrepancies in the tentative figures of costs submitted by certain of the companies from the actual cost of erection. It is pointed out that these figures were submitted when the buildings were in the course of construction, and no definite and final data on these matters were available. These two interests are calling for a special meeting to reconsider the basis of distribution of shares of stock in the new company to shareholders in the old, and there appears a likelihood that the merger will now be abandoned.

The circulars which have been sent out by Loew's Windsor Theatres, Limited, and Marcus Loew's Theatres, Limited, of Toronto, read in part as follows:

> In regard to some of these companies preliminary statements of their liabilities had been obtained, but as in some cases the theatre buildings had not been completed or fully paid for, accurate statements could not be secured by your directors. It now appears that the liabilities of some of these companies are in excess of the amounts given in the preliminary statements and your directors have resolved not to take any further steps to carry out the sale until the exact position of the other companies is definitely ascertained and certified by chartered accountants. In any event the directors will not complete sale without again calling a general special meeting of shareholders.

Sinclair Oil Co., subsidiary of Sinclair Consolidated, reduces wages to level prevailing in April, 1918, which amounts to cut of approximately 15 per cent. from present scale. Affects more than 500 field and office workers.

SOVEREIGN LIFE IS ESTABLISHED UPON FIRM BASIS

Satisfactory Progress Has Been Maintained Through The Year

ASSETS INCREASE

Insurance Carried With This Company Now Amounts to $14,528,336—Interest on Invested Funds 6.69%

Development of a satisfactory nature has been maintained by the Sovereign Life Assurance Company of Canada throughout the year 1920, according to the annual report just issued, and is an indication of the well-merited regard for this company in the West. Favored by the abnormal demand for life insurance during the past two years or so, this company has been enabled to establish itself upon a sound basis after the trying period encountered during 1916 and 1917.

The report points out that new assurance applied for during the year amounted to $4,507,000, and policies were issued and revived to the amount of $4,335,800, which is approximately the same as for the preceding year. The total insurance in force shows a net increase of $2,223,125, and stands at the close at $14,528,336. The gross premium income amounted to $466,452, or an increase of $65,468. The net premium income was $413,323. The cash income from interest and rents was $104,867, comparing with $88,736 in 1919. The company enjoyed a very favorable experience during the year in respect to death claims, the sum of $123,861 being paid to policyholders for death and disability claims, matured policies, profits and surrenders, being less than the total of the 1919 payments by $80,524. The mortality rate for the year was only 48 per cent. of the expected. The amounts actually paid for death and disability claims, including unsettled claims of 1919, was $81,053. Maturing policies called for an expenditure of $20,323. Dividends, surrenders and sundry payments amounted to $22,485. The total distribution to policyholders since the inception of the company seventeen years ago was $1,043,053.

The total assets show a satisfactory increase over the previous year, now standing at $1,876,792, being a gain of $219,914. The company was in a position to take advantage of the very favorable situation in regard to investments during the year, and was able to increase the interest rate on invested funds from 6.22 per cent. to 6.69 per cent. The company's assets are well distributed, and of the total invested assets, bonds and debentures comprise 56 per cent.; mortgages, 26 per cent.; while policy loans and sundry assets make up the remaining 18 per cent.

President R. R. Scott points out that after making provision for all liabilities, including a net increase in policy reserves of $219,666, and payments to shareholders and policyholders of dividends amounting to approximately $20,000, the surplus at the close of the year stands at $109,816, as against $106,491 at the close of the previous year.

SAGUENAY PULP

Equal Exchange for Shares of N.A.P. Pulp is Arranged

MONTREAL.—At a special meeting of shareholders of the North American Pulp & Paper Company's Trust held here this week it was decided to offer to shareholders in return for their holdings eight shares of common and two shares of preferred stock of the Saguenay Pulp & Paper Company, a total of ten shares for each ten shares of the North American Pulp held. This distribution is made possible by the reduction of the present $100 par shares of the Saguenay Company to $5 par instead of $10 as was formerly intended.

By this action the North American Pulp Company, which is an American concern, will disappear in Canada and relieve the enterprise of paying American as well as Canadian taxes. Regarding the cash option offer for shares made recently, it was stated that this matter would be dealt with in a special circular to accompany the financial statement of the Saguenay Company to be ready for shareholders shortly.

J. E. A. Debuc, one of the trustees, stated that the company's entire output for 1921 has been sold. This company is a large producer of mechanical pulp.

IMPERIAL TOBACCO

Application for Trading in Toronto—in Unlisted Department

An application has been submitted for the right to trade in the stock of the Imperial Tobacco Company in the unlisted department of the Toronto stock exchange. The stock outstanding comprises $27,002,500 of common, par value $5, and $8,030,000 preferred of £1 par. The preferred carries dividends at the rate of 6 per cent., and the dividend on the common is 6 plus 1 per cent. The common has been selling around par on the curb, and the preferred is quoted at $4.50. The head office is in Montreal, and Sir Mortimer B. Davis is president. The stock is said to be held largely in Great Britain.

D. U. R. WINS OUT AGAINST THE CITY

Detroit Cannot Cross Tracks Of Railway Company With Municipal Lines

DETROIT.—City officials must disconnect and refrain from using municipally owned street car tracks which cross the Detroit United lines at Mack and St. Jean Avenues, according to an order handed down by Judges Hart and Johnson in the Circuit Court. The D. U. R. asked for an injunction compelling the city to remove the crossings.

The municipal tracks were laid down only recently when 100 employees of the Department of Public Works, guarded by policemen, proceeded with the work despite the fact that an official of the railway company had a restraining order which he was attempting to serve.

The judges held that the restraining order was valid and that it was properly served by E. J. Burdick, assistant general manager of the railway company, before he was seized by the police and marooned on Bell Island. The court declared that the crossing was constructed improperly from an engineering standpoint resulting [illegible] diversion of current to the city's tracks. The city officials will appeal.

COST OF FARM LABOR

Wages Reached Unheard of Level During 1920

The United States Department of Agriculture has issued a report on farm wage rates which says that wage rates for farm labor reached highest point in history of this country in 1920, as national averages. As ascertained by Bureau of Crop Estimates, average wage rate for labor hired by month was $46.89, with board, and $4.36, without board; for day labor at harvest, $2.86 with board, and $3.59 without board.

WE announce to our clientele and the general public the admission to partnership of

Mr. Russell Gordon Dingman,
manager of our Bond Department.

F. H. Deacon & Co.
Members of Toronto Stock Exchange
INVESTMENTS
75 Bay Street, - Toronto
F. H. DEACON J. C. FRASER

Every Man Intends to Make a Will

But when one feels fit and eager for the day's work, can make the ninth hole in four, and help carry a canoe around a three-mile portage—it's hard to contemplate the idea of a WILL with any seriousness.

That is why so many men die without making any will.

That is why so many a comfortable little fortune is wasted in legal tangles.

That is why so much property gets into hands for which it was never intended.

Every man has rather decided views about the disposition of the wealth that he has created and saved. And he can enforce his wishes by a carefully drawn will and a wise choice of an executor. He can choose no executor who will administer his estate more prudently and faithfully than—

The Canada Permanent Trust Company

Put your intention into effect to-day, and name as your executor

THE CANADA PERMANENT TRUST COMPANY
18 TORONTO ST., TORONTO
PAID-UP CAPITAL - - - - $1,000,000
Manager, Ontario Branch, A. E. HESSIN

Extracts from the
Thirty-Second Annual Report
of the
DOMINION LIFE ASSURANCE COMPANY
Established 1889
HEAD OFFICE: WATERLOO, ONT.

Substantial Progress made in all Departments of the Company's Business

Policies Issued and Revived	$16,734,967.50
Previous Year	12,140,884.00
Increase 38 per cent.	**$4,594,083.50**
Total Business in Force	$45,348,883.63
Previous Year	35,472,313.00
Increase 28 per cent.	**$9,876,555.63**
Total Net Income	$1,879,880.63
Previous Year	1,571,495.14
Increase 20 per cent.	**$308,385.49**
Gross Assets	$6,167,935.82
Previous Year	5,464,457.57
Increase 12 per cent.	**$703,478.25**
Reserves	$5,240,657.00
Previous Year	4,497,788.00
Increase 16 per cent.	**$742,869.00**

BRITISH COLUMBIA ELECTRIC RAILWAY

THE twenty-fourth ordinary general meeting of the members of the British Columbia Electric Railway Company, Limited, was held on Thursday, Jan. 20, at the Institute of Chartered Accountants, Moorgate Place, Moorgate Street, London, England, Mr. G. P. Norton presiding.

The Secretary (Mr. R. W. Bartlett, A.C.A.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and gentlemen, it is very pleasant for us to meet you again with a report which shows clearly the improvement which has taken place in the company's affairs during the past year. As a result of increased population and expanding trade our revenue has increased. Until last year, as you are aware, no dividend had been paid on the preferred ordinary stock since the year ended June 30, 1915, or on the deferred ordinary stock since the year ended June 30, 1914.

We should, however, be satisfied with the results achieved this year if we were assured of being permitted to carry on our business permanently under reasonable conditions. With permanent conditions established on a reasonably remunerative basis we could secure the necessary capital to proceed on the progressive lines adopted in the past with great advantage to British Columbia. Without satisfactory permanent conditions we cannot secure the required capital and shall be tied down to a very confined policy.

We realize, and British Columbians must realize, that pre-war returns are not sufficient to attract capital for the development of public utilities such as ours, the growth of which is inevitable if the districts we serve are to receive in the future the services they have been accustomed to in the past. I trust it is no longer necessary to tell the British Columbian public, and the local authorities, that the development of our utilities is essential to the development of the Province, and that we must be allowed to earn a return sufficient to attract capital at the current market rates.

As you are aware, the Company's debentures are irredeemable and consequently a considerable part of the provision which the Directors have always made for depreciation has accumulated in cash and is being utilized for necessary extensions and developments. It is, I think, unprecedented for a Company of this size and character to be financed on perpetual debentures. Had our debentures been redeemable, much of the provision made for depreciation [illegible] would have been absorbed by the [illegible] redemption fund, and we should [illegible] have been compelled to [illegible] ask you for fresh capital to meet the further needs of the communities we serve. Both the public in British Columbia and the Shareholders may congratulate themselves that the sound policy of the Company in the past has enabled it to meet the continued growth of the Company without having recourse to the issue of fresh capital which at the present time would, of course, command a much higher rate than the return we are now earning.

British Columbia has an enormous supply of lumber and minerals, and the raw materials of which the world stands in need to-day, her industries and shipping are increasing, and all that is needed is to develop a sense of security in the minds of investors. I am constantly asked what is wrong with this company to account for the low prices of our securities and stocks. There is nothing wrong with the company. It is in a thoroughly strong and healthy position with excellent prospects. The low prices are due to Stock Exchange conditions and to a lack of complete confidence among investors that a thoroughly fair arrangement for the control of rates and fares will be arrived at. There is no reason why the company should not share to the full in the prosperity of the Province which we have done so much to create.

I feel I cannot conclude my remarks without an expression of gratitude to our management for the splendid service they have rendered to the company. Times have been difficult and the work strenuous, but all situations have been met with courage, zeal and ability.

On your behalf, ladies and gentlemen, and on behalf of the board I thank them sincerely for their efforts.

Mr. J. Davidson: A year ago, when we had the pleasure of meeting you, I had just returned from a visit to British Columbia. You will recollect that I then described to you the great growth which had taken place in the cities and districts served by your company during the six years previous to 1914, in which year the war called a halt to development. I also described to you the greater railway and ocean transport facilities which Vancouver and British Columbia generally enjoy to-day as compared with then, and the greater opportunities for future growth which now exist, and I suggested that it would be a disregard of precedent to anticipate that the growth of Vancouver and the districts served by your company would be less during the next six years than it was in the six years previous to 1914.

There cannot be any growth in a modern community without a corresponding growth in demand for the essential utility services. These again cannot be provided without capital outlays, as is evidenced by the manner in which our capital investment has increased.

In 1908 our capital, including debentures, was £1,880,458; in 1910 it had increased to £3,535,341; in 1912 to £6,164,855; and since then it has increased to £8,913,870.

Ample and enterprising public utility services are a necessary asset to a progressive community, and communities in general recognize that dependable and ample services attract new population and industries. It has been our policy in the past to provide for services reasonably well ahead of the immediate requirements of the communities we serve. We were able to do this in the past because the return which we could give you on the capital employed, and promise you on the further capital required, was reasonably attractive and stable. In the past wages, cost of materials, and the other factors which enter into working expenses were within certain limits, comparatively stable, and we were thus able to forecast with considerable accuracy the return which could be expected from the expenditure of additional capital. In other words, we could develop with a feeling of confidence that the charges which we were permitted to make for our services would be sufficient to meet the working expenses and leave a reasonable return upon the capital employed.

Well managed and prudently financed public utility companies in Canada and the United States were in pre-war days in similar position, and their securities, like ours, were regarded as safe and attractive investments. Owing, however, to the economic changes produced by the war, public utility companies everywhere had to face enormously increased costs of operation which made it impossible for them, while restrained from collecting higher charges, to continue to pay a reasonable return on the capital employed, or even, in many cases, to continue to give an efficient service.

In most cases no legislative or other authority at that time existed enabling public utility companies to increase their charges to meet the increased cost of operation, and in consequence their securities became discredited. As a result many of them reached such a condition of embarrassment as to be unable to raise fresh capital for necessary extensions or even to maintain their properties in a satisfactory state of repair.

To meet this serious condition of affairs, which was injurious alike to the companies and to the public they served, Public Utility Commissions, where such did not previously exist, were established in the Provinces of Canada and in most of the states of the American Union charged with the duty of considering the altered conditions and fixing rates on a scale sufficient to meet operating expenses and pay a reasonable return on the capital employed. When I addressed you last year I had hoped that the establishment of such a Public Utilities Commission in British Columbia was to prove a permanent solution of the difficulties of your company in regard to the matter of rates. Owing, however, to the circumstances explained in the report, this is not the case.

A way out of the difficulty is being sought, and until we can be sure of being able to continue to collect charges which will give a reasonable and dependable return, it must obviously be impossible to obtain the further capital necessary to meet the future expansion of business.

The growth in the cities and districts served by us has in the past been greatly encouraged, and has followed closely the expansive policy adopted by your company, and in the interests of the communities concerned, the directors would like to continue the policy of the past if operating conditions are reasonable and it is possible to continue such a policy without sacrificing the interests of the shareholders. It seems to me that it should be a matter of concern to the communities themselves, and also a matter of concern to the Province, that your company should be put and retained in a position which will enable it to adopt in the future an expansive policy as in the past. It seems to me also that this is a matter which has an importance beyond the Province, because your company handles interchange of traffic both with the United States lines and the main Canadian railways to an increasing extent each year. Last year we handled 9,861 freight cars as compared with 7,463 the previous year.

There is yet another aspect of the case which is, I venture to think, a matter which affects Canadian interests as a whole, and it is this: Your company has now grown to very great importance, it and its subsidiaries have a combined share and debenture capital of £8,913,870, almost the whole of which is held in Great Britain by some 12,000 separate registered holders. Each of these holders is a potential advertiser of Canadian investments either for good or for ill. If conditions securing you a fair return upon your existing investments are maintained by stable and reasonable legislation you will keep your existing investment and be encouraged to add to it as convenience dictates; if conditions are allowed to become such that we cannot earn for you a reasonable return on your investment, it would be no more than natural that you should refrain from investing any further in that direction and discourage others who might be inclined to do so.

I have every hope that stable conditions will be reached and retained. Apart from any other considerations it seems to me that a strong and healthy public utilities company is so essential to the well being and expansion of progressive and ambitious communities that they may be relied upon to insist that the company providing their utility services is permitted to operate under conditions which will ensure a reliable service capable of immediate expansion to meet increasing requirements.

In conclusion, I desire to associate myself with the remarks which your Chairman has made regarding the splendid service which the management have rendered to the company. I met Mr. Kidd, your general manager, in Toronto last November and discussed with him the affairs of the company, and I have great pleasure in acknowledging the debt which the company owes to his ability and resourcefulness and to the untiring energy and zeal of himself and his assistants. (Applause).

The Chairman: Ladies and gentlemen, I have now formally to move: "That the balance sheet as at June 30, 1920, and the revenue account for the year ended on that date, together with the reports of the directors and auditors thereon, be and are hereby received and adopted."

Mr. Davidson seconded the resolution, and after the Chairman had replied to a few questions it was put to the meeting and carried unanimously.

On the motion of the Chairman, seconded by Mr. Harold G. Brown, the dividends recommended were approved.

Sir Ernest Harvey, K.B.E., proposed the re-election of the retiring directors, Mr. G. P. Norton and Mr. Harold G. Brown, and the motion was seconded by Mr. T. Blundell Brown and unanimously agreed to.

Thanks to the Staff

Mr. Harold G. Brown, in proposing a vote of thanks to the general manager, the assistant general manager and the staff in British Columbia, said that the company had had a much more prosperous year than it had experienced for many years past, and he was sure that all his colleagues on the board would agree with him when he said that its success was due in a large measure to the zealous and untiring way in which Mr. Kidd, Mr. Murrin and the other principal members of the staff in British Columbia had stuck to their guns at a time when they received very little thanks and when there was very little visible result for their efforts. All through the war they experienced an extremely difficult time, and he felt that the stockholders could not thank them too heartily for all they had done during the last six years. (Hear, hear).

Mr. T. Blundell Brown seconded the motion, remarking that the difficulties of running a company of this magnitude were very great, but he believed that in the hands of the present management the future of the undertaking was very bright.

The vote was unanimously accorded.

The auditors were re-elected, on the motion of Mr. Nicholson, seconded by Mr. Binstead, and a hearty vote of thanks to the Chairman and directors concluded the proceedings.

THE WOOL MARKETS

Boston Reports a Continued Improvement

BOSTON.—The wool trade continues to show moderate but steady advance, both in volume of sales and values. Leaders in trade agree conditions have greatly improved, and so far as the immediate future is concerned expect a good volume of business, although it is not generally believed prices as a whole will see much advance.

Markets for raw wool throughout the world have shown a tendency to advance within the past few days. South American wools are 10 per cent. higher, merinos in London are up 6 per cent. to 10 per cent., and better crossbreds 5 per cent. The domestic market has also advanced between 5 per cent. and 10 per cent. for fine wools. This is the result of competition for wool, a situation which has been lacking in market for some time. A prominent dealer describes this buying as being about a 50-50 proposition between purchasing for requirements and in anticipation of tariff.

Mill activity is steadily increasing. Reopening of plants which have been closed for months is reported daily. Curtailment, generally estimated to have been around 60 per cent. to 70 per cent. during recent slump, is now believed to be but from 25 per cent. to 30 per cent. One group of mills which was closed three weeks ago is now operating full time in all departments.

Iron Moulders' Union local in Denver announces plan to build and operate plant with union capital in effort to defeat open shop movement. Two large foundries in Denver have adopted open shop.

ARGUMENTS IN SUPPORT OF A TURNOVER TAX

Seventeen Reasons Why It Is Better Than Other Taxes

EXCESS PROFITS TAX

Many Objections are Recorded by Business—Surtaxes are Also Very Much in Disfavor

By WM. C. CORNWELL,
Editor, "The Bache Review."

First of all, I want to define the turnover tax which we are advocating.

The arrangement, as now outlined, would make it incumbent upon every person who expected to make any sales during the year to take out a license at the Federal Tax Bureau in his locality, for which he should pay $1.00 per year.

This would put him on the books of the Government. It would act as an enlistment in the army of support.

Once a month everyone who had made any sales would figure up the gross amount of such sales, and if they exceeded $500 for that month he would make out a check for 1 per cent. of the amount and send it along to the local collector, with an affidavit as to the gross amount sold. If his sales amounted to less than $500 for that month, he would not send the check, but would forward a statement of the volume of the sales. At the end of the twelfth month, in addition to his monthly check, he would send in a statement showing the aggregate of his transactions for the year, with a check for the amount of any under-payment or a claim for a refund if he should have overpaid, as it might turn out that some persons had paid on a monthly transaction of over $500 but who had not sold the gross amount of $6,000 per year, which would be the smallest amount on which a tax could be claimed.

The Acme of Simplicity

Can you imagine anything more simple? Compare it with the present complicated and outrageously obscure questions and divisions and impossible calculations contained in the statements which you are required to fill out now—statements which you are compelled to employ experts to pass upon. The treasury has calculated that it costs the people of this country $100,000,000 a year for such services, and that it costs the Government $25,000,000 a year to collect these taxes.

And a vast army of expert accountants has sprung up in this country who are extracting from the public from $10,000 to $100,000 a year in helping people to fill out their statements and to avoid paying any more than they possibly can and keep out of jail, and it is these accountants who would lose their jobs if a simple, businesslike tax were adopted—these and a few treasury economic experts ("college economists")—who are about the only ones opposing the sales tax.

One Thing the Matter with Business

You gentlemen who are situated in the heart of industrial centres have been more or less anxious, I imagine, about the situation in business. Now, the situation in business is largely due, among other things, to the fact that a vast amount of capital funds has been driven out of business investment into tax-exempt securities, to avoid being confiscated by the surtaxes, running up at the highest to 73 per cent.

A vast amount of other funds earned in business has also been confiscated by the Government under the excess profits tax.

All industry is feeling the loss of these funds, which would have been used ordinarily to strengthen going business concerns and to tide them over the kind of a period of business depression through which we are now passing. The fact that these great sources of money supply have been closed has acted to make more tense the great credit strain through which the country has been passing for nearly a year.

High prices helped to produce inflation, and prices were kept high in many articles because of the present excessive taxes. Government experts estimate that nearly 25 per cent. has been added to general prices by reason of the existing tax methods.

The Rebellion Against Present Taxes

The feeling against the excess profits tax throughout the country has been so great that even Congress, which must have received communications from disgruntled business men and concerns all over the country, has decided that the excess profits tax must go.

But the surtaxes are equally guilty, and these two must be wiped out. The present tax situation is intolerable. No one can tell in advance what his taxes will be. The method of assessment is complicated, multiplied and obscure. The burden is unjustly distributed. The country's funds are being drained at the current sources, which have been used heretofore to support the great industrial machine.

The verdict of the country was recorded last November when a majority of 8,000,000 people registered their protest against the present government and its methods. It was the rebellion of business against extortion, and chief among the objects sought to be reformed and regenerated was the system of tax collecting.

What does the country want, in taxation?

It wants the whole present system practically wiped out, and certainty, equality and simplicity substituted. In other words, it wants a business tax instead of the system foisted upon it by college professors and treasury experts.

The tax on gross sales or turnover fully covers these requirements and its advocacy is sweeping the country.

There are some objections to it, but these are immaterial. There never yet was a tax imposed that did not have some opponents, but the objections to the sales tax are so infinitesimally less than those to the taxes now in force that there is no possible comparison.

Objections Answered

The principal objection at first urged against the tax by the treasury, the college experts and their converts, was that it was cumulative; that in passing on from one process of manufacture to another, a tax which would accumulate against the consumer (as all taxes are passed on) would be so great as to make it a burden.

The fact is, and we have had tables carefully worked out to prove it, that the utmost amount of tax to the consumer, on the finished article, is eleven turnovers (for instance, on the rubber tire), would not be over 3¼ per cent., and the average on all articles would be not greater than 2½ per cent.

As I have told you, present taxes add nearly 25 per cent. to the cost of things to the people.

Another objection which is now being urged, the first one having been abandoned, is that large industries containing within themselves several processes of the manufacture of the raw material to the finished product would be unjustly benefited as against the single process maker.

This objection has little merit, as the small percentage of the tax would make the benefit inconsiderable, but all this could be fully met by imposing a tax of 2 per cent. on the self-contained corporation where three processes were perfected within it, or 3 per cent. where five or more processes were accomplished.

Large Yield, but Payment Without Pain

It is true that under the exemption of $6,000 per annum, many farmers (perhaps the majority of them), and all labor, would be exempt. But these would have to pay the tax passed on to them on everything they purchased, just as they do now—only to such a light degree that it would not be felt—and with this great difference: that now they pay from 15 per cent. to 40 per cent. loaded on to prices of things they buy.

The tax would produce ample funds to provide for abolishing the excess profits tax and all surtaxes, reducing the rate on income to a straight 5 per cent. and exempting all incomes under $5,000.

The amount that could be raised by the tax on turnover under the most careful estimates would range from $3,000,000,000 upward, and the estimate of the leader of the Senate Finance Committee, after a most thorough expert investigation, places the amount at $4,500,000,000.

This tax has been in operation in the Philippines for sixteen years, has been the greatest success, and everybody there is satisfied with it. France adopted it July 1 last year and its early results are justifying all expectations. Canada has it in operation, and it is so popular there that within a few weeks a long line of other taxes have been abolished.

Seventeen Reasons for Adopting It

Fewer objections have been raised to it than to any other known tax, and these objections are gradually dwindling away. No tax has such strong arguments in favor of it. Let me recite, in conclusion, a few of them:

It meets all the objections which now make the present system intolerable.

It is simple and easily understood while the present system is distressingly complicated.

The collection of the tax is automatic and undisturbing.

The distribution of the burden is just; it falls like the rain. Those who consume the most and spend the most pay the most taxes.

It will produce all the money needed. Present tax returns are disappearing as profits decline in business.

It goes on undisturbed by the swing from good times to hard times and back again. The variation in the spendings of the people in either kind of period is not sufficient to seriously affect the tax returns.

It will not increase prices except to a very small percentage—an average of two to three per cent. Now prices are boosted (or have been), by the Excess Profits tax, to an average of over 25 per cent.; therefore, this tax will largely reduce prices.

Its effect upon business and the individual will be marvelous. There will be an incentive to save money for future business extension, as the tax collector cannot get it; and for the same reason it will wake up enterprise, competition and individual achievement. All these are being strangled to death under the present law.

Capital will no longer rush to cover under tax-exempt securities, which it is now doing to the extent of some [illegible] 000,000 at least, every year, where the recipients of this amount of income have sold all that they had and bought tax-free municipals. Much of this amount of yearly income will then be released for the industries of the country, instead of encouraging expenditure for extravagant or useless community improvements.

Extravagant spendings in carrying on business, now taking place because otherwise the Government would get the money, would cease, and old-fashioned business economy would again thrive. Enormous expenditures by the Government tax bureaus, including salaries of hundreds of thousands of employees (thus made unnecessary) would be stopped almost instantly, and these savings to the Government should reduce the budget.

The Philippines' experience is a shining example of the successful operation of the Sales Tax, and France and Canada contribute further forcible and favorable illustrations of its sound workings.

The tax load would be spread equally over the whole population, and would be borne without a hitch and without a murmur, because it would be passed along to millions of consumers who would pay the tax, nobody knowing it and nobody feeling it.

The taxpayer, harassed now with problems of what the ultimate tax will be would not have to wait a year to find out under the Turnover Tax. He would know every day what his tax for the day was.

No tax ever invented is free from every objection, but the Tax on Gross Sales is nearer perfection than any other. It is simpler in operation, less expensive to calculate, works more smoothly, yields larger revenue, and bears less heavily upon every individual than any existing method.

If adopted, it will free America from the worst and most destructive operation which the Government has ever imposed upon its citizens. Whether or not this great boon in legislative taxation is ever enacted for the benefit of America depends upon the individual efforts of thinking American citizens, who have it in their power to impress upon Congress the necessity of dropping political expediency in this one matter at least and acting in the unselfish interest of the whole country.

ALGONQUIN PARK

The months of February and March are two of the best months in the year to enjoy the attractions at Algonquin Park. Winter sports are at their height and the Highland Inn is the centre of a happy and congenial coterie of guests. Further information or booklet from any Grand Trunk Agent or write N. T. C[illegible], manager, Highland Inn, Algonquin Park, Ont.

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NEGOTIATIONS FAIL IN TRADE WITH SOVIET RUSSIA

More Seizures of Russian Gold Upheld by Courts

KRASSIN RETURNS

The Soviet is Now Asking That Gold be Free From Seizure —Canada's Interests Protected

Further proof to the Soviet Government that their system of trade and commerce will not be tolerated by the outside world is provided in the following report received from Reval on the Baltic:

On Dec. 11 a new consignment of gold arrived in Reval from Petrograd—130 boxes, with ten tons of the precious metal.

A disagreeable surprise for the Bolshevik delegation in Reval is the decision of the High Court of Esthonia confirming the verdict previously pronounced attaching a certain quantity of gold belonging to the Soviets and deposited in the banks. M. Pertsela, a merchant of Reval, last April made a contract with the Bolshevik delegation to supply them with nails from Germany of the value of 350,000,000 Esthonian marks. The nails were delivered, but the Bolsheviks, in view of falling prices, refused to pay for the goods, and tried to get out of the contract. As stated above, by a decision of the High Court on Dec. 10 they lost their case, and will now forfeit the gold.

The incident, however, proves that trade with Russia is at least being seriously attempted by venturesome merchants, and that the legend that Great Britain is blockading the Baltic coast, to prevent trade with the Bolsheviki, is a myth.

Soviet Dislike Terms

On the other hand, the desirability of restoring commercial order and securing recognition of international trade laws in the land of the Soviet is appreciated in Britain, as witness the long and painstaking negotiations that have been carried on by the British Board of Trade and the London Chamber of Commerce. It is reported that the negotiations, which have dragged along with many aggravating delays caused by the devious policy dictated from Moscow, have been suspended, temporarily at least, without any workable agreement having been reached. A. Krassin, the Soviet representative, has returned to Moscow to consult his government. It is understood that the trade terms and conditions suggested by the British authorities are not at all acceptable to Lenine and the Soviet Commissariat.

In so far as the negotiations have been dealt with conditions and methods of trading between the two countries, there is no marked divergence of opinion between the negotiators. But the much bigger questions of the guarantees required from the Soviet Government, as to the cessation of anti-British propaganda in the East, and the difficulty over the demand of M. Krassin that the gold sent to this country for commodities shall not be liable to attachment for old debts—these questions remain unsolved.

Canada's Interest Protected

This unsatisfactory termination of the conference emphasizes the futility of private individuals, in British Isles, Canada or in United States, attempting to do business direct. Undoubtedly the conditions demand positive governmental action and guarantees, so that exporters and manufacturers may be assured that goods ordered and shipped will be paid for.

It is understood that the British organization which will handle the Russian trade in the event of an agreement being reached sets forth, in clause one of its by-laws, that "The corporation shall be responsible for the purchase and export of all Russian requirements for manufactured goods in this country or its colonies." Obviously, therefore, it is proposed to protect Canada's interests and include her trade in any favorable agreement that may be arrived at.

It is believed in some well-informed circles that economic conditions in Russia have reached a point where the Soviet Government may be compelled to give satisfactory answer and action to the requirements of the British Board of Trade and London Chamber of Commerce. These arrangements may or may not be of a permanent character, in fact opinion seems to lean to the decision that contracts of the Russian Government are sound only as long as the pressure of hunger and necessity controls them.

Recent cable advices from London state that the Soviet Government at Moscow have sent a wireless dispatch to Earl Curzon, the British Secretary for Foreign Affairs, commenting favorably on the terms of British-Russian trade as laid down at the recent London conferences. No definite action or acceptance, however, has as yet been received.

COSTLY EXPERIMENTS BY DAKOTA FARMERS

Heavy Investments in Packing Plant Besides Millions in Townley's Schemes

MINNEAPOLIS.—Besides the millions that the farmers in North Dakota have squandered on Townley's various schemes for rescuing the farmers from the clutches of big business, the farmers in that state have, according to Commercial West, invested much money in the Equity Packing Company plant located at Fargo. This meat packing concern has been in operation about two years and at the annual meeting recently, the company's board audit showed a deficit of over seven hundred thousand dollars. Some critical stockholders claimed that this deficit was underestimated and that such deficit was in fact over a million dollars.

The organizers of this Equity Packing Company based their promotion plans on claims that farmers did not get a square deal in the live stock markets of Chicago or South St. Paul, and that they could save the farmers vast sums of money if they owned and operated their own meat-packing plant. It is not yet disclosed what was the underlying cause of the large deficit shown, but either the company paid too much for its live stock or its expenses of operation were too high. It could not have made a mistake in the selling of its products, because that is determined by prices in the open market. Its meat products could not, of course, be sold much if any higher than the general market for such goods turned out by other concerns.

If the farmers will stand to make up this loss, it is for them to figure out how much they are ahead of the game, even if they did receive something more for their livestock than would have been paid at the Chicago or South St. Paul markets, or saved in freight to such points. At least this much is proven: that the company could not save the farmers much money and still make a success of the business of packing meats. At the annual meeting mentioned, it was proposed to issue half a million dollars worth of certificates of indebtedness. The press reports of this meeting stated that only some ten thousand dollars was taken by the stockholders present, which would indicate that those who invested money in this enterprise were not very keen to take a chance of further advances in a losing game.

The theory that the meat packing industry should be carried on nearer to the farms or ranches may have appealed to many. What they overlooked was the fact that the business of the big packers is largely manufacturing; that in the handling of the by-products the packers make most of their profits, when they do make them, and not in the sale of dressed meats. The many food and other products from the packing plants is a vast manufacturing industry and these are best located at the large market centers, where transportation facilities enable the concerns to give prompt service in all directions.

IRON AND STEEL MARKETS

Situation is Quieter Than For Several Months

The machine tool markets are not making any rapid move toward recovery. Inquiries continue to hold first place over actual orders taken. Dealers report that some sales are being made and one of the signs they consider very encouraging is the way in which settlement is made for sales made. There seems to be enough capital to take advantage of all the discounts.

The exchange problems between various countries continue to be a source of bother, particularly as the machinery of several nations is finding its way to the Canadian market again after an absence of some years. The belief is expressed that there will continue to be a certain amount of instability until such time as arrangements are made to stabilize the value of the currency of the world.

The steel market is quieter than it has been for months. January was somewhat of a disappointment to the warehouses, although a large amount of material came into the country to actual orders. Some of this material has been on the books of the Steel Corporation for over 14 months and it is considered a favorable sign that it has stayed "good" all this time.

CREDITS FOR THE IMPOVERISHED WAR NATIONS

Ter Meulen Scheme Is Approved by League of Nations

FINANCING IMPORTS

Bankers and Business Men of International Repute on Board—Participating Governments to Issue Bonds

LONDON.—A slightly revised version of the Ter Meulen Credits Scheme approved by the Brussels conference has been drawn up by the Provisional Economic and Finance Committee of the League of Nations which has recently been sitting at Geneva and has issued a report recommending that the scheme should be given a trial, as it offers "a fair promise of achieving success." The Council of the League of Nations has approved the report. The full text of the scheme as redrafted by the committee is as follows:

I. In order that impoverished nations, which in present circumstances are unable to obtain accommodation on reasonable terms in the open market, may be able to command the confidence necessary to attract funds for the financing of their essential imports, an International Commission shall be constituted under the auspices of the League of Nations.

II. The Commission shall consist of bankers and business men of international repute, appointed by the Council of the League of Nations, and shall have discretion to appoint agents and sub-Commissions and to devolve upon them the exercise of its functions.

III. The Governments of countries desiring to participate shall notify to the Commission what specific assets they are prepared to assign as security for commercial credits to be granted by the nationals of exporting countries.

IV. The Commission, after examination of these assets, shall determine the gold value of the credits which it would approve against the security of these assets.

V. The participating Governments shall then be authorized to issue bonds to the gold value approved by the Commission. The bonds shall be in such form, with such date of maturity and rate of interest, as the Commission may decide, and shall, in particular, enumerate the assets pledged against the bonds. The denomination of each bond, and the specific currency in which it is to be issued, shall be determined by the participating Government in agreement with the Commission, in accordance with the conditions applicable to the particular transactions in respect of which they are issued.

VI. The service of these bonds, which will be obligations of the issuing Government, shall be specifically secured out of the revenue of the assigned assets.

VII. The assigned assets shall be administered by the participating Government or by the International Commission as a majority of the Council of the League of Nations may determine on the proposal of the International Commission. Nevertheless, in cases where the administration of the assigned assets is in the hands of the participating Government, the International Commission at any time may, and in the event of default shall require the participating Government to transfer the administration of the assets to itself. The participating Government shall have the right of appeal to the Council of the League of Nations against this requirement, and the decision of the Council of the League of Nations on these questions shall be binding.

VIII. The revenues from the assigned assets shall be applied as follows to the service of the bonds: (i) Out of these revenues the Commission shall purchase and hold, or the participating Government shall satisfy the Commission that it has purchased and holds, foreign currencies sufficient to provide (a) cover for the coupons falling due in the next year of all bonds at any time outstanding in each of such currencies; (b) a sinking fund calculated to redeem at maturity 10 per cent. of the bonds outstanding in each of the different countries; (c) a reserve in such foreign currency or currencies as the International Commission may determine for the redemption of any bonds sold in accordance with paragraph 16. (ii) Any surplus remaining after the provision of these services shall be at the free disposal of the participating Government.

IX. The participating Government will be free either to pledge its own bonds as collateral for credits for approved imports on its own account or to lend the bonds to its nationals as collaterals for credits for approved imports on private account, and for the latter purpose will be free to fix such terms, including the security, if any, to be given, as it may think fit. These terms shall be communicated to the Commission. The bonds shall not be used for any other purposes than those specified in this clause.

X. Each bond shall before issue be countersigned by the Commission in proof of registration.

XI. The fundamental purpose of the scheme being to facilitate and expedite the import of such raw materials and primary necessaries as will enable the borrowing countries to re-establish production, especially for export, bonds secured on the assigned assets shall not be utilized as collateral for credits for the import of other commodities, provided that, where the Commission is satisfied that the import of such other commodities will assist in securing the above purpose, it shall have the discretion to permit special exceptions to the above rule, subject to such conditions as it may think fit.

XII. For each borrowing country the Commission will draw up, in consultation with the participating Government, a schedule of approved imports, which will be regarded as falling within the definition of raw materials and primary necessaries.

XIII. Particulars of each transaction must be registered with the Commission, which, before countersigning a registered bond, will satisfy itself that the credit is for an approved import and that the period for which it is proposed to be granted is a reasonable one.

XIV. The same conditions as govern the pledge of its bonds as the collateral for credits for imports on private account shall apply in cases where the participating Government pledges its own bonds as collateral for imports on Government account.

XV. After having received bonds, duly countersigned, the importer will pledge them with the exporter.

XVI. Pledged bonds shall be dealt with as follows: (a) In the absence of any failure by the importer to fulfil his contract with the exporter the coupons on their due date, and the bonds as they are released, shall be returned to the importer, who shall return them to his Government forthwith. (b) In the event of the importer not fulfilling the terms of his contract, the exporter (or his assigns) may either hold the bonds until maturity, or if he prefers he may, at any time, sell them in accordance with the laws and customs of his country providing that, before the bonds are sold, a reasonable opportunity shall be given to the issuing Government to re-purchase them by paying to the exporter the amount of his claim. The proceeds of such sale shall be applied by the exporter towards covering his claims against the importer. Any surplus not required for this purpose shall be accounted for by the exporter to the participating Government. (c) Any coupons or bonds returned to the participating Government or purchased by such Government shall be forthwith cancelled in accordance with the regulations to be prescribed by the International Commission; cancelled bonds may subsequently, with the approval of the Commission, be replaced by other bonds either in the same or in a different currency, in accordance with the conditions governing the original issue of bonds.

Of $466,000 in Liberty bonds stolen from messengers of Kean, Taylor & Co., November 30, $235,000 was discovered when deposited with Federal Reserve Bank. Robbrs obtained money by dpositing bonds as collatral for loan secured from bank in Memphis, Tenn.

INVESTORS' INQUIRIES

Continued from page 11.

ities at the present time. The Mutual Finance Corporation, as you may be aware, specializes in financing the instalment sale of homes in the city of Windsor. The management appears to be satisfactory, and the company is making good profits.

As stated above, the Bankers' Service Corporation handles only the securities of the Windsor company. The management is distinct, with one exception, O. J. Brooks, president of the Bankers' Service, is represented as fiscal agent of the Mutual Finance. We are not in a position to certify to the standing of this company, although to outward appearances the members appear to be reliable.

LYONS PETROLEUM

P. B., Montreal.—Would like some information concerning Lyons Petroleum Company, of Okmulgeee, Oklahoma.

The Lyons Petroleum Company, Inc., is capitalized at $3,000,000 all in common stock, with shares of $1 par value. The officers are James G. Lyons, president, Okmulgee, Oklahoma; Charles Downing, vice-president, Kansas City, Mo. The company's holdings consist of oil and gas leases in Okmulgee and Creek County, Oklahoma. At the time this report was made the company was engaged in drilling some 18 wells. The stock is traded in on the New York market and is being quoted at the moment around 90 cents, bid, with offerings at 95 cents.

SHAWNIGAN

E. S., Toronto.—Will you kindly advise me direct a full report of your valued opinion of Shawinigan W. and Power stock which is paying 7% and selling at about 107. In your estimation do you think the dividend can be maintained for some time to come, and if so what is the outlook for a greater return? Is the stock a favorable purchase now?

So far as dividends are concerned we believe that with ordinary business conditions these will be maintained. More than that we feel that an increase in the present dividend may be looked for in the not distant future. This company has a large and growing business in supplying power to a number of prosperous centers in the Province of Quebec, and in addition has been developing certain industries that not only increase the consumption of power developed by the company but in themselves should in time prove very profitable to the company as industries. The net earnings of the company during the past two or three years have been cut down and held down by the very heavy costs of operation, but from now on the ratio of net earnings should increase steadily, and in addition the company should profit from increased rates charged. At the present price the stock should be a favorable investment.

EXECUTOR, TRUSTEE, AGENT

Crown Trust Company, acting as Executor, Trustee and Agent, transacts a general trust company business, offering a variety of services.

Confidential discussions between our officers and parties interested in any phase of trust company business are invited without obligation or charge.

Crown Trust Co.

"A Trust Company for the Public Service"

145 ST. JAMES STREET MONTREAL

SAFE DEPOSIT BOXES TO RENT

THE SOVEREIGN LIFE ASSURANCE COMPANY OF CANADA

Head Office - Winnipeg, Canada

The Annual Report of the Sovereign Life for 1920 shows the following results:

Net Income	**$ 519,874.21**
Assets	**1,876,792.99**
Insurance Written and Revived	**4,335,800.00**
Insurance in Force	**14,528,336.00**

Interest Earnings, 6.69%. Special Reserve Funds, $70,000.00. Additional Surplus, $109,816.05. Paid to Policyholders since organization, $1,043,053.26. Paid to and held in trust for Policyholders, $2,673,994.33.

A Year of Solid Substantial Progress

Detailed Report Upon Request

GEORGE LANE
A. E. CROSS
DW. E. STEVENS
WILLIAM PEARCE
COL. J. S. DENNIS
DAN. E. RILEY

Men who know the West are backing

ALBERTA FLOUR MILLS LIMITED

In any organization success or failure depends to a large extent on direction and management—on the class of men who are backing the enterprise, guiding its activities and protecting the interests of those who invest their money in it.

The men behind Alberta Flour Mills, Ltd., are men who have spent their lives in the West and who have a thorough understanding of its needs and possibilities. They are men of known integrity and financial responsibility.

The directors are:

GEORGE LANE, President, one of Alberta's most successful ranchmen and livestock dealers. President of George Lane Co., Ltd.

A. E. CROSS, Vice-President, a successful Calgary business man. President of Calgary Brewing & Malting Company. Well known in the livestock industry.

EDWARD E. STEVENS, General Manager, an experienced miller with a lifetime of training in Minneapolis. Understands the domestic and export flour business from the ground up.

COL. J. S. DENNIS, C.M.G., Chief Commissioner of the Department of Colonization and Development of the Canadian Pacific Railway. Known throughout the world as an exponent of sound development methods.

WILLIAM PEARCE, Statistician to the Department of Colonization and Development, of the Canadian Pacific Railway. Another of the men whose backing for this institution augurs well for its success.

DAN. E. RILEY, a successful ranchman at High River, Alberta.

The men behind Alberta Flour Mills, Ltd., are business men of integrity and financial responsibility who have faith in their project. Every director has paid full par value for his shares. There has been no bonus or promotion stock. You have the opportunity of entering the project on the same terms as they. And to put all investors on a fair basis, provision is made that out of original earnings, a fund must be created by the directors out of which all subscribers for shares will be paid 7 per cent. on their shares, dating from the date of final payment for same.

This is a real opportunity for the investor. We invite you to send for further information.

Write to

ALBERTA FLOUR MILLS, LTD.

112 Manning Chambers, Toronto Adelaide 7344

WM. A. ROGERS, LTD. ESTABLISHES NEW BUSINESS RECORD

Company Makes Substantial Headway During The Past Year

PROFITS $572,536

Business Quiet at Opening of Present Year—Look For Improvement Later—Payments on Preferred Arrears

Notwithstanding the fact that a reaction in business developed during the closing months of the past year, the annual statement of the Wm. A. Rogers, Limited, issued this week, shows little adverse effect, and indicates that profits for the past year have been the best in the company's history, exceeding the returns for the previous year, which had hitherto been the record year by $46,154. The report shows that the company has made substantial recovery from the reverses suffered during the years of war, and has turned a deficit at the end of 1918 of $5,208 into a profit at the close of last year of $572,536. The company was again able to resume dividends on the preferred stock during the year, which had been deferred since 1917, and considerable progress has been made in cleaning up the arrears, which at the beginning of the year amounted to 14 per cent. There yet remains 8¾ per cent. unpaid, and President S. J. Moore intimates that it is proposed to continue these payments on arrears during 1921 as opportunity offers.

After providing the sum of $65,057 for federal taxes on 1919 earnings there was available for distribution along with the balance of $303,448 carried forward from the previous year's account, the sum of $810,927, compared with $570,029 at the close of 1919. From this amount the sum of $169,468 was set aside for plant reserve, $50,000 for the general reserve account; $137,543 was applied on preferred dividends and arrears, leaving a balance of $453,916 to profit and loss, compared with $303,448 for the previous year, and $43,647 at the close of 1918.

The following comparative table shows the distribution of profits for the past three years:

	1920	1919	1918
Bal. forward	$303,448	$ 43,647	$203,081
Less Fed. tax	65,057	.....	.....
	$238,391	$ 43,647	$203,081
Profits	572,536	526,382	*5,208
	$810,927	$570,029	$197,873
Plant res. ..	169,468	161,581	80,000
Reserve acct.	50,000	70,000	.....
Divid. on pref.	78,596	.....	.....
Divid. arrears	58,947	.....	.....
Divid. guar. .	.....	35,000	.....
Int. on bank loans	.....	.....	74,226
	$357,011	$266,581	$154,226
	$453,916	$303,448	$ 43,647

*Deficit balance.

Inventories Written Down

President Moore in his report points out that inventories on hand have been written down to present replacement levels, and the shrinkage charged off in the year's expenses. The inventories, he declares, are in excellent condition, both as to character and prices. The Canadian Wm. A. Rogers has had a good year in 1920, and is not expecting to call upon the company for any contribution under the guarantee agreement which continues until April 1, 1924. Regarding conditions affecting the company, he says:

> Business fell away toward the end of the year and is quiet at the opening of 1921. We are seeing evidences of improvement, however, and look forward to a gradual restoration of confidence. It is our expectation that the curtailment that is likely to occur in the early part of 1921 will be made up in the later months, and that the year as a whole will yield a satisfactory and profitable volume.

The balance sheet shows total assets amounting to $4,945,085, compared with $4,583,436. Real estate and equipment, including goodwill, which is placed at $850,000 for both years, are valued at $2,433,580, compared with $2,315,449. The company's stock-in-trade accounts and bills receivable, and cash on hand total $2.-425,085, compared with $2,166,958. Current liabilities are somewhat heavier, standing at the end of the year at $657,708 against $572,014. The reserves have advanced from $921,622 to $1,232,573 for the year just closed.

Peugeot Automobile Co. of France will form American company, known as Peugeot Co. of America with authorized capital of $3,000,000 8 per cent. cumulative preferred and 50,000 shares of common, of no par value, to manufacture Peugeot cars here.

PUBLIC OWNERSHIP AILS

Seattle Street Railway System in a Bad Way

SEATTLE.—Up to date the street car program has been a disappointment. Service is worse than it ever was, with no prospect of improvement. Some $700,000 in taxes of one kind and another that the utility company once paid into the treasury, is now being paid by all of the other taxpayers. There have been no profits to send to Boston nor to keep at home. Nothing has been paid on the purchase and the city can't unload the thing purchased. There is a deficit that looks like a mountain, and the mountain is growing hourly. Every fund in the city has been borrowed just to pay wages. Taxes are lost, service is demoralized, a huge deficit has been created, every fund in the city has been jeopardized, to say the least, municipal credit is in danger of utter destruction, car rides cost more and the price is to go higher still, and the end is not in sight.

WESTERN GAS LOSES ON YEAR'S BUSINESS

Higher Rates Essential to Continuance of Operations

CALGARY.—Higher rates are necessary if the Canadian Western Natural Gas, Light, Heat and Power Company is to continue in business in Calgary. This was the statement of President Eugene Coste at the company's annual meeting.

In a prepared statement, the directors of the company proposed to the shareholders that, as an alternative to the companies going out of business, they supply gas for cooking and water heating purposes only.

But to supply gas for these purposes only, the statement said, it will be necessary to obtain much higher rates—"from $1.25 to $1.50 per thousand feet until larger new supplies are secured and made available for our customers," added the statement.

The balance sheet presented showed a loss on the 1920 fiscal year's operations of $34,120. The subsidary company, the Calgary Gas Company, showed a loss of $67,486.

The list of officers elected for the ensuing year follows; Directors: Eugene Coste, F.M., M.I.M.M., president; H. B. Pearson, vice-president and managing director; Sir Clifford Sifton, N. Scott-Russell, T. A. McAuley, Major John Sifton, J. S. L. Starr and Dillon Coste.

CANADIAN MORTGAGE IMPROVED PROFITS

Loans on Mortgages Somewhat Increased Despite Decline in Debenture Funds

The profits of the Canadian Mortgage Investment Company for 1920 were $105,524, which compared with $97,800 for the previous year and was slightly better than the showing for 1918. This may be taken as an evidence of improvement in the mortgage situation as affecting the more conservative of the loaning companies in Canada. Dividends at the rate of 6 per cent. took $74,375, and, after making allowances for war taxes, $50,000 was added to reserve. The balance carried forward was $13,764, compared with $42,084 brought forward from the previous year in which there was no appropriation made for reserve. Following are comparative figures for the past three years:

	1920	1919	1918
Profits	$105,524	$ 97,800	$104,071
Bal. forward	42,084	33,119	5,000
	$147,608	$130,919	$109,071
Dividend ...	74,375	72,572	73,431
Tax reserve .	8,224	12,170	.....
War tax ...	1,245	4,092	2,521
Reserve	50,000	.....	.....
Balance	13,764	42,085	33,119
	$147,608	$130,919	$109,071

Features of the company's earnings record for the past three years follow:

	Paid-up Capital	Profits	Div.	% on Cap.	Earn Rate
1920	$1,239,586	$105,524	6	8.5	6.1
1919......	1,235,954	97,800	6	8.1	5.8
1918	1,231,630	104,071	6	8.5	6.2
1917	1,223,850	115,403	6	9.5	6.9
1916	1,218,227	112,472	6	9.3	6.7
1915	1,211,116	121,895	6	10.1	7.7

The company's reserve fund now amounts to $500,000 in addition to a special investment reserve of $40,000; the paid-up capital is $1,239,586.

During the year debenture liability declined from $560,674 to $521,414. However, investments in stocks and bonds were reduced and the real estate account improved, so that net loans on mortgages were not curtailed, but were increased by a small margin.

U.S. BUSINESS LEADERS AGREED CRISIS NOW PAST

From Now on the Main Trend Should Be Upward

BASIS OF CONFIDENCE

The Product of Long Experience and Careful Analysis of Fundamental Parts Of Business

NEW YORK.—Responsible business leadership of the country is outspoken in its belief that danger of a crisis has passed, and that from now on the main trend will be upward, it was pointed out by Guy Emerson, vice-president of the National Bank of Commerce in New York, who spoke before the New Haven Association of Credit Men at New Haven, Connecticut. This confidence, he said, is not the product of hasty judgment, but of long experience and careful analysis, and is founded upon solid facts.

"A remarkable feature of the present business situation is the amount of sincere optimism that prevails in the face of many admittedly adverse conditions in industry and trade. Almost daily we hear of growing unemployment; the number of business failures continues to increase; we continually read of omitted or reduced dividend disbursements; railways show a steadily growing car surplus reflecting more than seasonal slackness; and many other items daily visible in the news are anything but reassuring in themselves.

"Yet in the face of these conditions general public sentiment remains cheerful and responsible business leadership of the country is outspokenly unanimous in its belief that the worst of the great reaction from our post-war boom has been safely weathered, that the soundness of fundamental conditions is unimpaired, that all danger of a crisis has passed, and that from now on, although the cure of business may be hesitant at times, may fluctuate down as well as up, and improvement may not be rapid, nevertheless the main trend will be upward."

The immediate facts upon which leading business men base their opinions at present, Mr. Emerson said, are improved liquidity of credit, growing movement in commodities, some resumption in industrial lines, and a steady readjustment of prices to new levels.

"From a larger viewpoint this favorable judgment is based upon the ultimate necessities of more than 100 million people in the United States, to say nothing of the foreign demand for American products which must increasingly be met.

"There will be no 'boom' in the near future in either domestic or foreign trade; but it should not be forgotten that the total of the nation's normal annual retail trade has been estimated at more than 100 billion dollars; its total wholesale trade at twice this sum. These figures represent a public demand for food, clothing, transportation, housing and a great variety of the necessities and conveniences of life. This demand is an outstanding factor in appraising the soundness of the business situation during 1921. Its effect may not be fully manifest this month or next. But its powerful influence cannot be long delayed."

TORONTO RAILWAY

The November earnings statement of the Toronto Railway and subsidiary companies shows gross amounting to $1,250,414 as compared with $1,111,177 for the same month in 1919, an increase of $139,237. Working expenses, maintenance, etc., amounting to $914,136 left net amounting to $336,278, a decrease of $65,210.

The aggregate gross earnings for the eleven months ending with November totalled $13,200,100, an increase of $1,646,664 over the corresponding eleven months in the previous year, while the aggregate net amounting to $4,007,493, showed a falling off of $320,593.

WINNIPEG ELECTRIC

The Winnipeg Electric Railway reports gross earnings for the month of November amounting to $477,957, an increase of $16,508 over the figures for the same month in 1919. Working expenses at $358,091 were lower by $65,735, while net amounting to $119,866 compared with $37,623, an increase of $82,243.

THE WESTERN EMPIRE LIFE ASSURANCE COMPANY

Head Office, Winnipeg, Canada.

Extracts from 9th Annual Statement Year 1920.

Total Assets - - - -	$653,11
Total Liabilities, excluding capital -	383,0
Surplus to Policyholders - -	270,115.11
Cash Received for Premiums less re-insurance - - - -	130,7
Cash Received for Interest - -	27,5
All other Income - - -	91,22
Total Income - - - -	249,514
Expenses - - - - -	82,7
Paid to Policyholders - - -	26,8
Insurance in force - - -	5,481,4
Securities Deposited with Provincial Governments - - - -	168,5

The Directors declared a Dividend to Shareholders of 6%.

Dividends to Policyholders during 1921 will be up the same generous scale as heretofore.

DIRECTORS AND OFFICERS:

William Smith, President and Managing Director.
R. W. Craig, K.C., Vice-President.
Brig.-Gen. H. M. Dyer, C.M.G., D.S.O., Vice-President.
Geo. E. Graham,
General Manager of The Dominion Atlantic Railway Co.
G. N. Broatch, Barrister and Solicitor, Moose Jaw, Sask.
F. D. Byers, Barrister and Solicitor, Edmonton.
S. D. Hannah, Regina.
Dr. A. J. Fraser, Medical Director.
F. C. O'Brien, Secretary-Treasurer.

SUN LIFE ASSURANCE COMPANY OF CANADA

HEAD OFFICE MONTREAL

1871 1921

JUBILEE YEAR

HALF a century has elapsed since the Sun Life Assurance Company of Canada issued its first policy in 1871. The figures submitted herewith indicate the size, strength and outstanding position to which the company has attained among the life assurance institutions of the world, as a result of its operations during those first fifty years.

SYNOPSIS OF RESULTS FOR 1920

ASSETS

Assets as at 31st December, 1920	**$114,839,444.48**
Increase over 1919	9,127,976.21

INCOME

Cash Income from Premiums, Interest, Rents, etc., in 1920	**$ 28,751,578.43**
Increase over 1919	3,047,377.33

PROFITS PAID OR ALLOTTED

Profits Paid or Allotted to Policyholders in 1920	**$ 1,615,645.64**

SURPLUS

Total Surplus 31st December, 1920, over all liabilities and capital	**$ 8,364,667.15**

(According to the Company's Standard, viz., for assurances, the Om (5) Table, with 3½ and 3 per cent. interest, and for annuities, the B. O. Select Annuity Tables with 3½ per cent. interest).

TOTAL PAYMENTS TO POLICYHOLDERS

Death Claims, Matured Endowments, Profits, etc., during 1920 .	$ 10,960,402.00
Payments to Policyholders since organization	**102,187,934.30**

ASSURANCES ISSUED DURING 1920

Assurances issued and paid for in cash during 1920 . . .	**$106,891,266.23**
Increase over 1919	20,342,416.79

BUSINESS IN FORCE

Life Assurances in force 31st December, 1920	**$486,641,235.17**
Increase over 1919	70,282,773.12

THE COMPANY'S GROWTH

YEAR	INCOME	ASSETS	LIFE ASSURANCES IN FORCE
1872........	$ 48,210.93	$ 96,461.95	$ 1,064,350.00
1880........	141,402.81	473,632.93	3,897,139.11
1890........	889,078.87	2,473,514.19	16,759,355.92
1900........	2,789,226.52	10,486,891.17	57,980,634.68
1910........	9,575,453.94	38,164,790.37	143,549,276.00
1920........	28,751,578.43	114,839,444.48	486,641,235.17